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Demographic and Economic Analysis

Demographics & Economy

Introduction

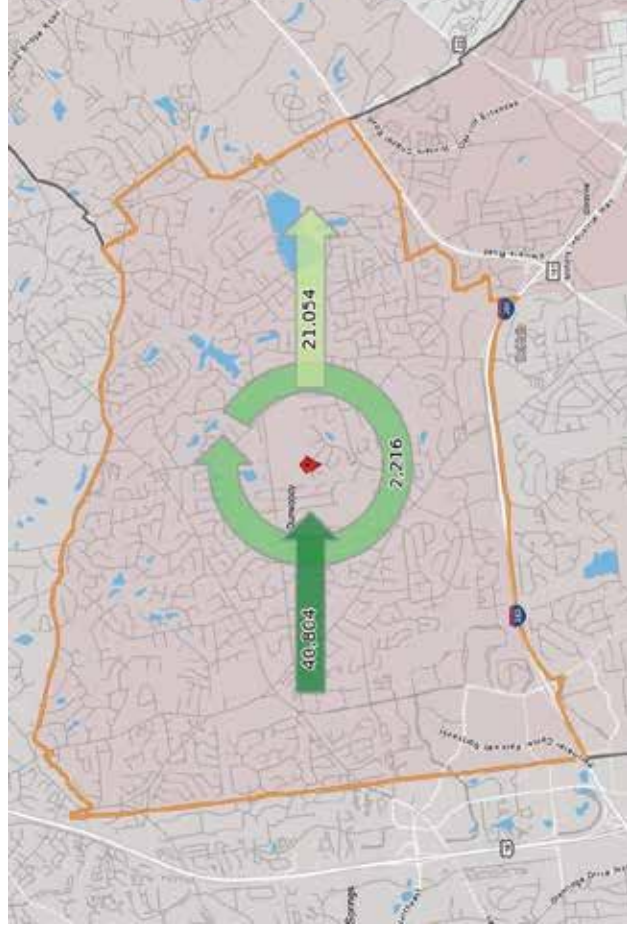
The City of Dunwoody is one of Atlanta's oldest suburban areas; however, it was not incorporated until 2008. The city is situated in a well-connected location at the intersection of I-285 and Hwy 400. The city population is 51,683 (2020) according to census statistics and experienced growth of approximately 6% from 2010 to 2018. Dunwoody is smaller in comparison to other neighboring cities such as Sandy Springs (109,00) and Roswell (95,000) from a population perspective but has a large employment base.

There are over 43,000 people who work in Dunwoody, a very strong population to employment ratio for a suburban city. Dunwoody experiences 40,804 inbound workers (those who travel into Dunwoody for work) and 2,216 who both work and live in the city. Industry sectors are focused on office-based employment such as Finance and Insurance, and Professional, Scientific and Technical Services. 21,054 residents leave Dunwoody every day for employment to other jurisdictions according to U.S. Census data.

The city has recently anticipated and are working towards urban development with higher-density, live/work/play options complementing its growing business/commercial districts and the desire for more walkable options.

Dunwoody has a significant retail inventory, with approximately 4.4 million square feet of existing space. This equals to 85 square feet of retail per resident, much higher than the U.S. metro average of 40 to 55 square feet. Coupled with the sizeable employment profile, Dunwoody is a major destination for commercial uses in North Atlanta.

Figure: Dunwoody Employment Inflow-Outflow



Source: U.S. Census

Population (2020)
51,683

Source: U.S. Census

Demographics & Economy

Demographic Profile

65% of the population identifies as white with a notable number identifying as Asian (18%), Black/African American (12%), Hispanic/Latino (8.8%) or mix of two or more races (3%).

Household median income is \$96,057 (2019 data), compared to the state average (\$58,700). Compared to adjacent cities; Sandy Springs (\$78,613) and Brookhaven (\$92,604) both have lower median household income than Dunwoody. Nearly 27% of households have annual incomes higher than \$150,000 which makes Dunwoody an affluent municipality.

The median value of a home in Dunwoody is more than double the state average (\$176,000) at \$432,900. Sandy Springs and Brookhaven's median values are \$471,800 and \$484,400, respectively. Gross rent follows similar trends with the Dunwoody (\$1,468), Sandy Springs (\$1,327) and Brookhaven (\$1,415) all higher than the state average (\$1,006).

The average age in Dunwoody is 36.8, close to the state average age of 37.2. A quarter of the population is under the age of 18, displaying a significant number of families in the city. 14.2% of the population of is above 65 which is in line with the state average (14.3%). Dunwoody's population is expected to age which is like many of the suburban areas in Metro Atlanta that have a large number of single-family homes.



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Housing Profile

Dunwoody has a diverse mix of residential housing in the community. 55% of all residential is considered multifamily housing, much higher than DeKalb County at 43%. Most multifamily housing is allocated in larger apartment buildings rather than townhouses, duplexes, and triplexes.

Regarding housing tenure, Dunwoody is similar to DeKalb County, with just over 55% of all units being owner-occupied. The number of owner-occupied units increases dramatically for single-family residential compared to multifamily.

The average household size for rental-occupied units significantly decreases in Dunwoody, displaying a likely trend between smaller apartments being rentals, and larger single-family homes and townhomes as owner-occupied. The average household size in Dunwoody as a total is 2.4 persons per household, while rentals have only 2.13 persons per household.

Data demonstrates that Dunwoody is a desirable place to stay long-term. 40% of households moved into Dunwoody (prior unincorporated County) in 2000, and 66% of households have lived in the City prior to 2010. This longevity demonstrates a desire plant roots and establish a long-term home in Dunwoody.

Table: Housing by Unit Type

Unit Type	Dunwoody		DeKalb County	
	Number	%	Number	%
Single Family Detached	10,130	44.9%	175,415	56.2%
Townhome/Rowhome	1,046	4.6%	22,211	7.1%
2 Units (Duplex)	31	0.1%	3,258	1.0%
3 or 4 Units	249	1.1%	12,037	3.9%
5 to 9 Units	1,048	4.6%	26,381	8.5%
10 to 19 Units	1,856	8.2%	30,007	9.6%
20 or more units	8,142	36.1%	41,049	13.2%
Total Multi-Family	12,372	55.0%	134,943	43.3%
Mobile Home	60	0.3%	1,509	0.5%

Source: U.S. Census

Table: Housing Tenure

Housing Tenure	Dunwoody		DeKalb County	
	Number	%	Number	%
Owner-occupied	11,386	55.6%	154,322	54.6%
Renter-occupied	9,096	44.4%	128,114	45.4%
Average household size of Owner-occupied unit	2.63	-	2.65	-
Average household size of Rental-occupied unit	2.13	-	2.55	-

Source: U.S. Census

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Driving & Walking Distances

Over 84% of Dunwoody residents drive a vehicle to work each day with a vast majority driving solo. A five-minute drive time from Dunwoody's Perimeter Center Mall covers the entirety of the Perimeter Community Improvement District (PCID) Area in Dunwoody and Sandy Springs. A 10-minute drive time extends along the highway network and reaches Doraville and Brookhaven. In 15 minutes, the DeKalb-Peachtree Airport (PDK) is within reach, as well as the City of Chamblee, Cumberland, and Buckhead. All drive-times are traffic dependent.

Walking distances (using the Perimeter Mall as the center point) display large distances for the study area. A 20-minute walk covers most of the Edge City study area, while a 30-minute walk connects pedestrians to the medical district on the south side of I-285 and towards Dunwoody Village.



Walking Distance

Dunwoody, GA, USA

Population 13,927

Population 6,664

Population 470

Source: OpenRouteService

Figure: Driving Distance from Study Area

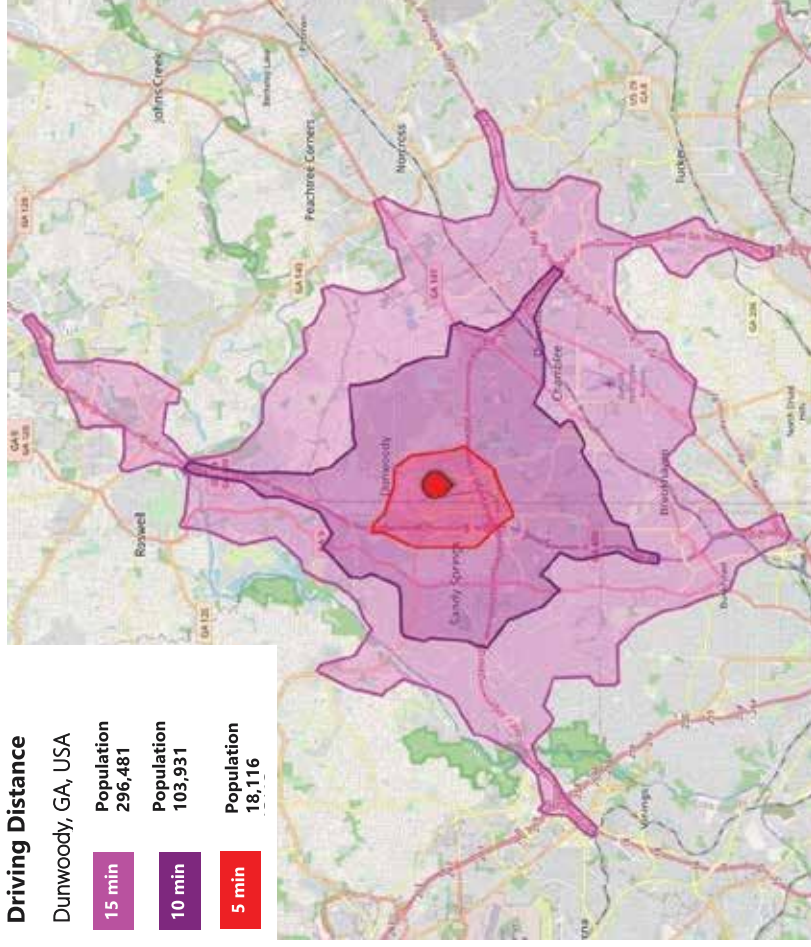
Driving Distance

Dunwoody, GA, USA

Population 296,481

Population 103,931

Population 18,116



Source: OpenRouteService



Demographics & Economy

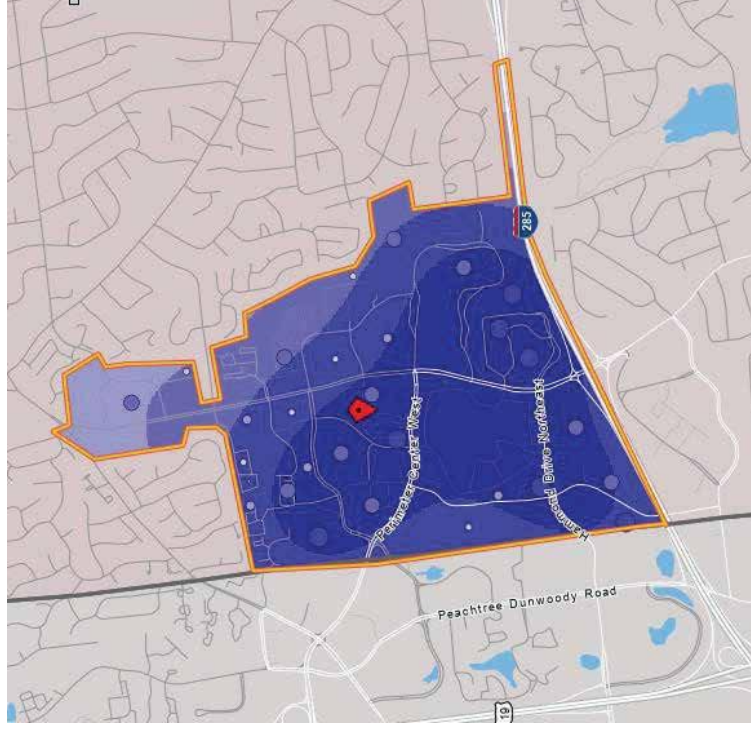
Economic Profile

In Dunwoody's Perimeter Center area (and what is considered the study area), the workforce is dense and concentrated around the Perimeter Mall in office and commercial complexes. The top industry sectors include Finance and Insurance (6,633 Jobs), Professional/Scientific/Technical Services (5,552 Jobs), Retail Trade (3,682 Jobs), Information (3,627 Jobs) and Accommodation/Food Services (3,319 Jobs). Other important industry sectors include Management of Companies/Enterprises, Support/Waste Management/Remediation and Wholesale Trade.

Most of Dunwoody's employment is in the study area (78%). Labor force flow sees that most workers are coming into the area with six times more than the number of outbound workers (31,037 Inflow to 4,671 Outflow). This is due to the area primarily zoned as commercial, with residential interspersed throughout. There is a very small population who both work and live in the area (369). Outbound workers travel to Atlanta (23%), Sandy Springs (13%) and other parts of Dunwoody (9%).

The labor profile for workers in the study area mirror that of the major industry sectors with professions in Professional/Scientific/Technical Services (1,197), Health Care/Social Assistance (435), Administration/Support/Waste Management/Remediation (429) and Finance/Insurance (424). This is beneficial to increasing the number of live/work opportunities in the study area.

Figure: Study Area Employment Density



Source: OntheMap

Demographics & Economy

Figure: Study Area Workforce Inflow-Outflow

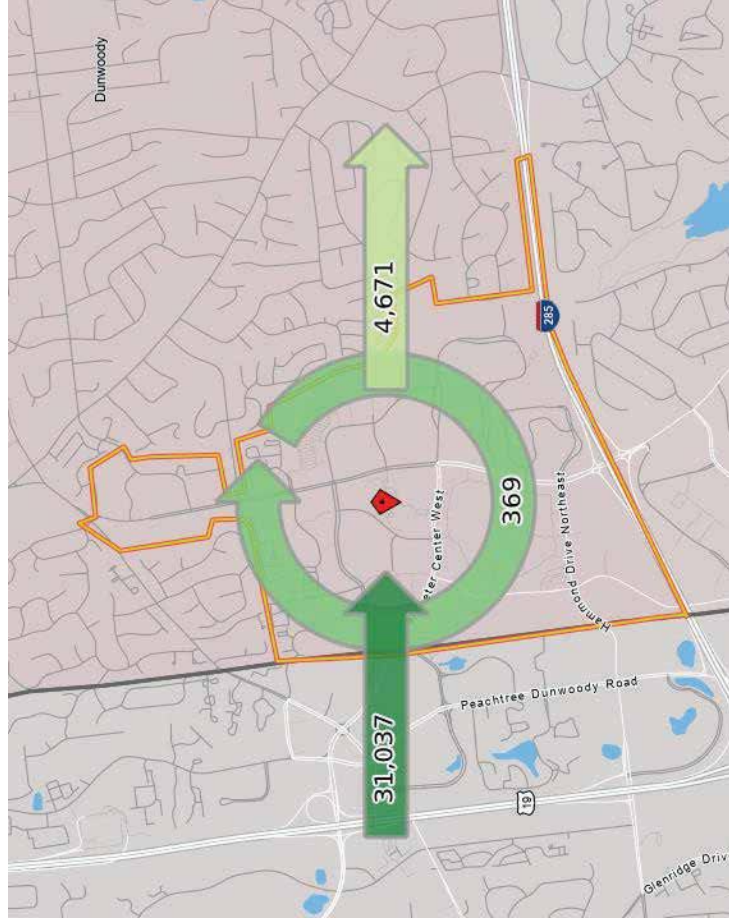


Table: Study Area Outbound Worker Destinations

Cities, CDPs, Etc.	Count	Percentage
Atlanta City, GA	1,170	23%
Sandy Springs City, GA	660	13%
Dunwoody City, GA	473	9%
Alpharetta City, GA	320	6%
Johns Creek City, GA	219	4%
Brookhaven City, GA	139	3%
Roswell City, GA	121	2%

Source: U.S. Census

Table: Study Area Labor Profile

Industry	Count
Professional, Scientific and Technical Services	1,197
Health Care and Social Assistance	435
Administration & Support, Waste Management and Remediation	429
Finance and Insurance	424

Source: U.S. Census

Table: Study Area Industry Sectors

Industry	Count
Finance and Insurance	6,633
Professional, Scientific and Technical Services	5,552
Retail Trade	3,682
Information	3,627
Accommodation and Food Services	3,319

Source: U.S. Census

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Table: Dunwoody Top Employers 2020

City of Dunwoody 2020 Top 10 Employers				
Employer	Industry	# of Employees	% of Total City Employment	Within Dunwoody Perimeter Study Area?
InterContinental Hotels Group (Six Continent's Group)	Accommodation Services	2,094	8.24	Yes
Dekalb County School District	Educational Services	720	2.83	N/A
Convergent Outsourcing, Inc	Debt Collection Services	484	1.9	N/A
T Mobile	Retail Trade	475	1.87	Yes
UHS of Peachford LP	HealthCare Services	395	1.55	No
Southeastern Data Cooperative	Professional, Scientific and Technical Services	359	1.41	Yes
Maggiano's	Food Services	336	1.32	Yes
Nordstrom	Retail Trade	320	1.26	Yes
Macy's #20	Retail Trade	320	1.26	Yes
Walmart Supercenter #236	Retail Trade	307	1.21	Yes

Table: Dunwoody Top Employers 2011

City of Dunwoody 2011 Top 10 Employers			
Employer	Industry	# of Employees	
InterContinental Hotels Group (Six Continent's Group)	Accommodation Services	906	
Walden Security	Building Security Services	881	
The Atlanta Journal Constitution	News and Information	607	
UHS of Peachford LP	HealthCare Services	498	
AutoTrader.Com Inc	Retail Trade	441	
ER Solutions Inc	Administration & Support	378	
Macy's #20	Retail Trade	371	
Walmart Supercenter #236	Retail Trade	313	
IHealth Technologies	Professional, Scientific and Technical Services	310	
Computer Generated Solutions	Management of Companies and Enterprises	292	

Source: 2020 Dunwoody Comprehensive Annual Financial Report

Concentrated in Dunwoody's Perimeter Center area, Dunwoody's largest employers in 2020 are in Accommodation and Food Services, Retail Trade and Professional/Scientific/Technical Services. Large employers in Dunwoody but outside of the study area consist of Health Care Services, Debt Collection and Education sectors.

Among the top employers in the area, Accommodation is concentrated as one major employer, InterContinental, with Food Services following suit with Maggiano's. Retail Trade, however, is wider spread with multiple companies placing in the top ten due to the location of the Perimeter Mall.

Contrast to the industries in 2020, the companies in 2011 were more diversified with Administration, Management of Companies, Information and Building Security Services placing among the top 10. This is likely to change as State Farm has consolidated operations in Dunwoody, and the increase of office space in Dunwoody provides opportunities for large-scale employers to enter to the market.



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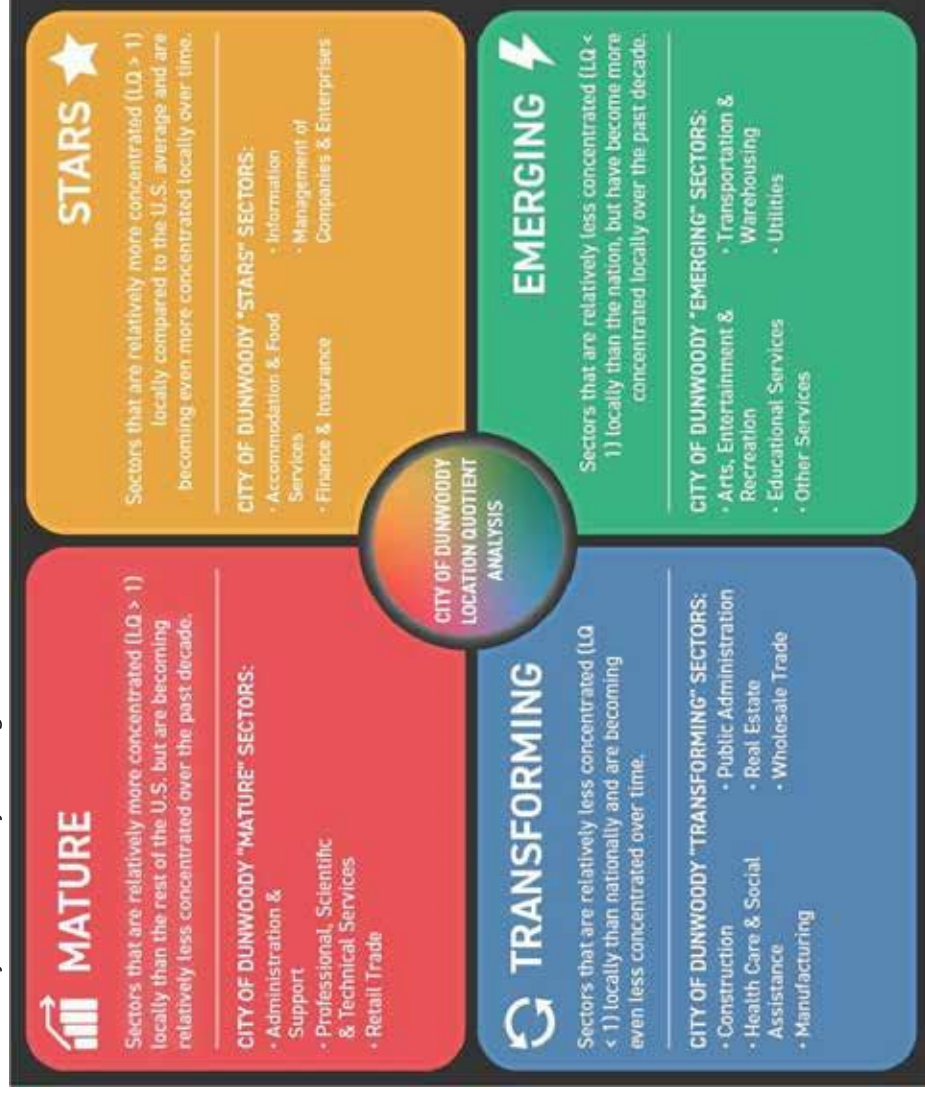
City of Dunwoody Location Quotient Analysis

A location quotient analysis quantifies the degree of concentration between different employment sectors in the City of Dunwoody relative to the U.S. Employment sectors. U.S. Census data between 2014 and 2019 was used to identify employment concentration and growth.

Star sectors are those with a higher concentration of employment in Dunwoody relative to the U.S. average and are quickly growing. Dunwoody "Star" sectors exhibit diversity in the workforce, primarily within office, hotel, and food & beverage development types.

Emerging sectors are those that are less concentrated than the U.S. average; however, they are also experiencing strong growth. This includes Arts, Entertainment & Recreation and Education Services.

Table: City of Dunwoody LQ Diagram



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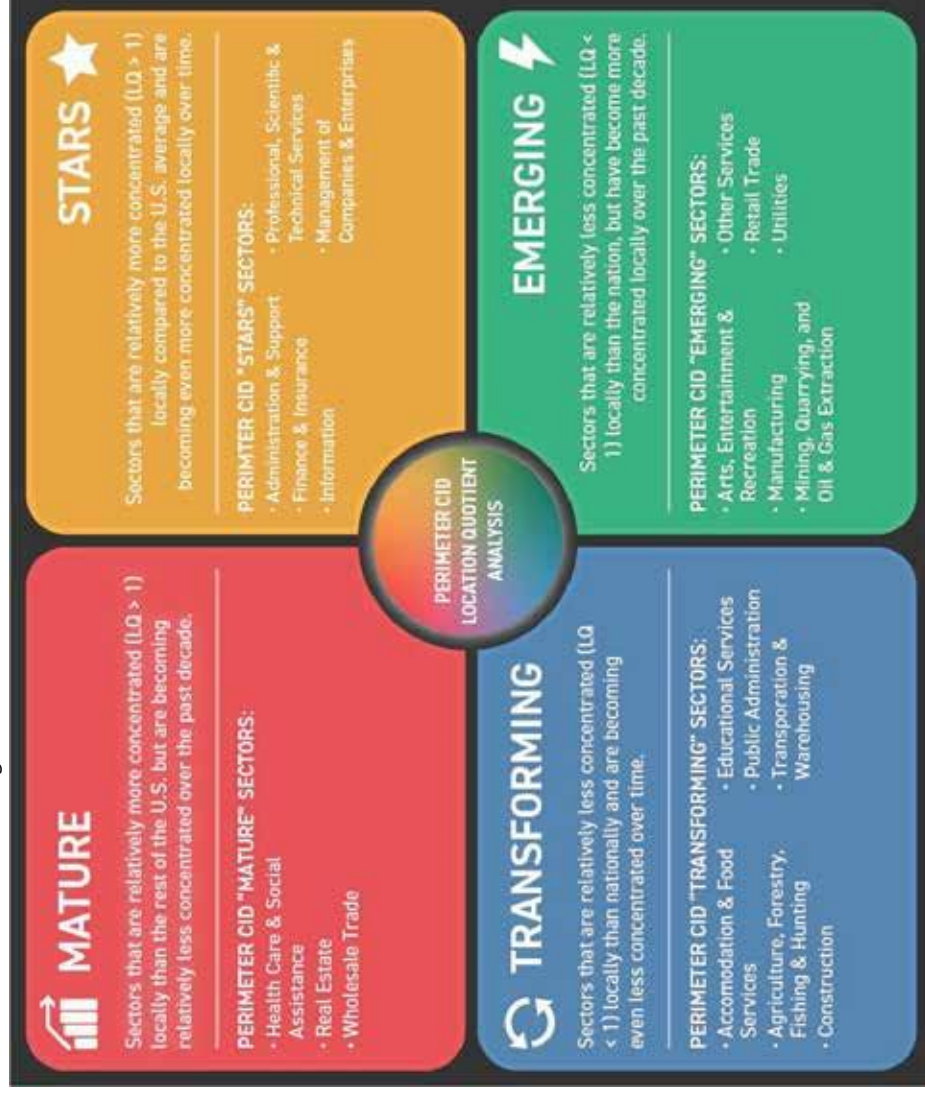
Perimeter CID Location Quotient Analysis

A location quotient analysis quantifies the degree of concentration between different employment sectors in the Perimeter Community Improvement District relative to the U.S. Employment sectors. U.S. Census data between 2014 and 2019 was used to identify employment concentration and growth. The Perimeter CID was chosen for analysis due to major employment in Sandy Springs having direct causal effect on the study area.

Star sectors are those with a higher concentration of employment in the CID relative to the U.S. average and are quickly growing. CID "Star" sectors are similar to the City of Dunwoody, but also includes the Professional, Scientific & Technical Services sector. Star sectors for the CID exhibit a very strong employment profile of office jobs.

Mature sectors are those that are more concentrated than the U.S. average; however, they are becoming less concentrated over time by experiencing less growth than the U.S. average. Health Care & Social Assistance surprisingly lost significant employment between 2014 and 2019, although it is still the largest employment sector of the CID (as of 2019).

Table: Perimeter CID LQ Diagram



Demographics & Economy

Crunchbase

Innovative companies in Dunwoody were analyzed using Crunchbase, an international database of innovative enterprises. The algorithm used to rank companies takes into account the amount of private funding/investment, number of connections of a profile within the platform, the amount of community engagement, news articles, acquisitions, and more. The higher the rank, the more innovative the enterprise compared to its peers. Five of the leading innovative companies in Dunwoody focus on software targeting different industry sectors such as health, finance, consulting and retail.

Concentrix Catalyst Consulting, Information Technology, Internet of Things

Combines great design and strong tech to create experiences accelerating outcomes.



Coin Wallet

Bitcoin, Blockchain, Cryptocurrency, Ethereum, Financial Services, Mobile Payments, Payments

Provides a user with unified wallet address that can be used to manage all Crypto.

Vyne Health Care, Medical, Software

Provider of secure health information exchange and electronic health care communication management solutions.

Vyne Dental Dental, Information Technology, Software

Provides easy-to-use software that simplifies the process of claims and attachment management, facilitates secure communications and speeds up payments.

Transaction Tree

Digital Marketing, E-Commerce, Information Technology, Marketing, Point of Sale, Retail

The leading provider of digital receipt solutions for the retail industry and other transaction-oriented enterprises.



Demographics & Economy

New Tenants to Dunwoody

The following table is a representation of the types of commercial tenants that moved to the city over the past several years. It includes industry type and move-in date based on brokerage files. Total square footage equals 1.8 million SF of space. There is a wide variety of industry types that moved into Dunwoody office space. State Farm was the largest move-in; however, other major tenants include Acoustic (digital marketing) and Centene Corporation (health care insurance and programs). The diversity of new tenants in Dunwoody is indicative of the desirability of the city for employment space, even in a pandemic environment.

Table: Dunwoody New Tenant Move-In's 2020 & 2021

Company Name	Building Name	Address	SF Occupied	Industry Type	Move Date
Acoustic	South Terraces	115 Perimeter Center Pl NE	57,113	Professional, Scientific, and Technical Services	6/2/2020
Ammega	North Terraces	400 Perimeter Center Ter	8,484	Management of Companies and Enterprises	8/1/2020
Centene Corporation	South Terraces	115 Perimeter Center Pl NE	51,651	Health Care and Social Assistance	11/1/2021
Chilivis, Grubman, Dalbey & Warner	-	1834 Independence Sq	8,400	Professional, Scientific, and Technical Services	8/1/2021
Discover Dunwoody	Sterling Pointe I	301 Perimeter Ctr N	5,500	Professional, Scientific, and Technical Services	2/1/2020
Edifecs	Crown Pointe	1050 Crown Pointe Pkwy	17,719	Information	9/1/2021
Gleeds	South Terraces	115 Perimeter Center Pl NE	5,907	Construction	8/8/2021
Home Instead Senior Care	-	1720 Mt Vernon Rd	8,000	Health Care and Social Assistance	4/5/2021
Insight Global	Twelve24	1224 Hammond Dr	233,088	Administrative and Support Services	5/1/2022
Jack Nadel International	One Ravinia Drive	1 Ravinia Dr	5,726	Professional, Scientific, and Technical Services	7/2/2020
Miles Mediation & Arbitration	South Terraces	115 Perimeter Center Pl NE	5,308	Professional, Scientific, and Technical Services	4/15/2021
Oldcastle APG, Inc.	North Terraces	400 Perimeter Center Ter	52,675	Construction	3/1/2020
Schindler Elevators	Three Ravinia	3 Ravinia Dr	51,555	Manufacturing	10/1/2021
State Farm	Phase II	240 Perimeter Center Pky NE	670,000	Finance and Insurance	1/24/2020
State Farm	State Farm Building 3	240 Perimeter Center Pky	429,200	Finance and Insurance	4/5/2021
Summit Contracting	-	53 Perimeter Ctr E	7,892	Construction	12/1/2021
TEKsystems	North Terraces	400 Perimeter Center Ter	10,954	Professional, Scientific, and Technical Services	11/1/2021
The Hall at Ashford Lane	-	4550 Olde Perimeter Way	17,372	Retailer	3/10/2021
VACO	South Terraces	115 Perimeter Center Pl NE	7,680	Administrative and Support Services	6/1/2020
Vesta	Crown Pointe	1040 Crown Pointe Pkwy	11,176	Information	9/1/2021
Workspots	Lincoln Center	1455 Lincoln Pkwy E	11,382	Real Estate	7/20/2021

*Note: Tenants over 5,000 SF listed.

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Source: CoStar



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Land Use & Development Patterns



Land Use and Development Patterns

Metro Atlanta

The Metro Atlanta region features an urban core, focused on Downtown Atlanta, and suburban nodes spread along the regional highway and interstate network. Metro Atlanta is experiencing a population boom with more residents moving into the Metro than any area of the state, primarily due to the economic and job opportunities within fast growing sectors such as technology, information, professional services, and logistics.

Metro Atlanta has a population of nearly 6.1 million residents, up 15% since 2010 with an additional 800,000 residents according to Census data. Furthermore, the population of the metro area's five largest counties (including DeKalb) all grew by double digits over the past decade.

This growth has continued to push the metro footprint in all directions, especially into the northern suburbs along the I-75, I-85, and Route 400 highway networks. While single-family development continues in many communities that offer larger-tracts of greenfield land, many cities are primarily built-out and do not have the ability to accommodate future populations.

The Atlanta Regional Commission has advocated and pushed to limit sprawl through more compact, walkable, and pedestrian-friendly development. Increasing land prices and the desire to be in well-connected areas of the metro has made infill and redevelopment a feasible option in many cities.

Common Ground, Atlanta



Land Use and Development Patterns

Cities and developers are working together to transform suburban nodes that were previously single use into mixed-use development that accommodates a variety of commercial, employment, and residential types.

Neighborhoods along the Atlanta Beltline, and communities such as Buckhead, Midtown, Atlantic Station, and Cumberland have demonstrated how significant employment and population growth can be accommodated through redevelopment and infill. More recently, suburban communities like Alpharetta have embraced infill and redevelopment through initiatives such as Downtown Alpharetta and the successful Avalon mixed-use development, sparking demand for like-minded developments in surrounding communities.

There are many mixed-use projects in development throughout the Metro that continue to change the landscape including the recently rebranded Centennial Yards, the Fourth Ward Project by New City Properties, and Doraville's Assembly.

These types of projects have enabled communities to also think about the amenities and connectivity required to make more dense forms of development livable and attractive. This has come in the form of arts and culture, recreation, entertainment, public realm improvements, and greenspace, among others. Projects such as the Beltline, Model Mile, PATH400, and planned Hub404 are transformative and integral to connecting neighborhoods and making redevelopment areas more attractive for future employers and residents.



Land Use and Development Patterns

Dunwoody

Dunwoody is largely characterized by single-family home neighborhoods with several commercial nodes along I-285 and major arterial roads. The city is considered built-out, with no major tracts of greenfield land to accommodate future growth. The Dunwoody Perimeter Center or “study area” contains most commercial development including major offices and retail. Additional areas of interest include Dunwoody Village, Georgetown, and the Georgia State University Perimeter College.

Until incorporation in 2008, Dunwoody was guided by planning and policies of DeKalb County. As a result of this, the City is still working towards establishing its identity when it comes to development. With the exception of certain streetscape elements and signage, it can be difficult to determine where Dunwoody begins and ends, especially on the western edges of the city. Adopting the City’s Comprehensive Land Use Plan, along with the Dunwoody Village Master Plan and Georgetown Master Plan has allowed Dunwoody to shape its future urban environment in a way that is innovative, yet sustainable.

The vision of the Dunwoody Comprehensive Plan states:

“The City of Dunwoody will be a dynamic regional destination and a community where all people can thrive – with a balanced mix of urban and suburban environments and amenities; high quality employment; equitable housing and transportation options; a commitment to sustainability; and best-in-class infrastructure, facilities and services.”

Already characterized by redevelopment in the Perimeter Center and Georgetown areas, future growth will be infill, repositioning of existing properties, or redevelopment of underutilized sites. These new developments must support the city’s goals of a business and family friendly community that leverages its excellent location and competes strongly against nearby communities of Sandy Springs, Brookhaven, Peachtree Corners, and Chamblee.

Recent new development outside of the Perimeter Center is focused on housing, including the 79-unit townhome community Dunwoody Village built by Lennar, and the 36-home Enclave at Dunwoody Park. Dunwoody Village and Georgetown will continue to experience future development in the form of residential, commercial, and mixed-use, albeit in a format that is appropriate for the neighborhood scale.



Dunwoody Village

Land Use and Development Patterns

Dunwoody Perimeter Center

The Perimeter Center is the commercial core of Dunwoody and has an extensive mix of uses that is anchored around the Perimeter Mall. Multifamily residential, high-rise and campus office, retail, hotels, and entertainment are all present in the Perimeter Center, establishing a strong base of activity that has made the area a well-regarded destination in the region.

Due to most development activity occurring prior to incorporation of the city, land use patterns are inconsistent throughout the Perimeter Center with a limited public realm that is not conducive to walkability. Shopping plazas and retail centers are auto-oriented and home to a mix of community serving retail such as big box, grocery, pharmacy, services, and restaurants. Offices are either campus-style with large parking lots surrounding the buildings and treed areas established as buffers to the street and adjacent uses, or taller towers with accompanying parkades.



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New Development

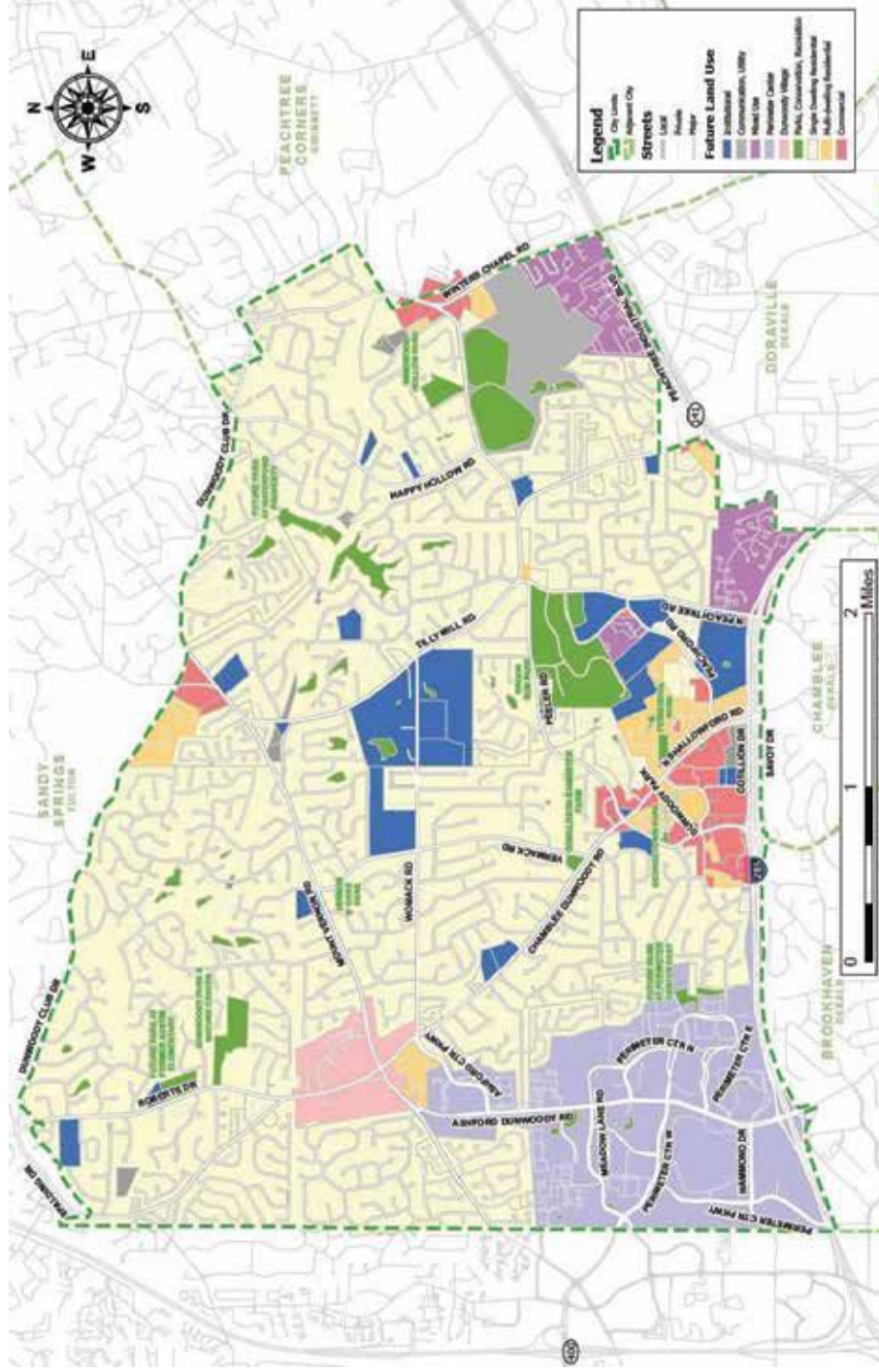
The City of Dunwoody has made significant strides in recent years to incorporate new modern forms of development into the Perimeter Center. City Council have approved various applications for projects that have either recently been completed, are under construction, or are in the planning stages. Many of these developments will be highlighted in the following pages.

New development in the Perimeter Center is exhibiting the goals of the city by introducing new typologies of office, retail, entertainment, and residential that better serves the community. Much of this new development has occurred around the Dunwoody MARTA station, including the new State Farm campus, the 16-story Twelve24 office building, Hyatt Place hotel, and recently under construction High Street. These infill and redevelopment projects are catalysts for the Perimeter Center area, demonstrating what Edge City 2.0 can transform into.



Land Use and Development Patterns

Figure: Dunwoody Future Land Use Map



Source: City of Dunwoody

Land Use and Development Patterns

Perimeter Community Improvement Districts (PCIDs)

The Perimeter Community Improvement Districts (PCIDs) encompass the study area and surrounding areas of Sandy Springs and Brookhaven. The PCIDs are self taxing districts that use additional property taxes to help accelerate needed transportation and infrastructure improvement projects.

The PCIDs land uses build upon the Dunwoody Perimeter Center, with significant office, retail, multifamily, hotel, and health care present in the area. "Pill Hill", located on the southside of I-285 along Peachtree Dunwoody Road is a major healthcare hub of Atlanta with three hospitals, multiple outpatient facilities, and other medical support services. Northside Hospital is known as the "baby factory" as it delivers the most babies in the nation while Children's Healthcare of Atlanta is the premiere facility for kids. The medical district delivers over \$3 billion in annual economic impact and is an economic engine for the PCIDs.

New development in the PCIDs includes low-rise multifamily residential, assisted living, mixed-use office, hotel, retail and entertainment. Built form for new development is more urban and pedestrian friendly, with buildings fronting the street and parking located in multi-story structures.

Figure: PCID Boundaries



Source: PCIDs

Land Use and Development Patterns

Study Area Planned and U/C Projects

The Perimeter area features several major projects that are either under construction or in the planning process. These developments will create significant change in the land use and built form of the Perimeter area upon completion, generating more employment and shopping opportunities that serve a regional trade area.

High Street

High Street is a 36-acre mixed-use project located directly west of the Perimeter Mall along Perimeter Center Parkway. The site extends from Hammond Drive to Perimeter Square shopping mall to the north. An existing office building and parking structure on the north side of the site will be retained. The project is expected to be completed in two phases, with the first phase beginning around the existing office and parking structure to create a critical mass of activity. Two other office buildings on the site will be retained for the time being but are planned to be demolished for the second phase of redevelopment.

Phase 1, known as the Green District, will include 600 upscale rental apartments, 90,000 SF of new office space (in addition to the existing 222,000 SF of office), 150,000 SF of retail and restaurants, and a three-quarter acre public park. In total, the project is expected to have 8 million SF of development. Construction began in November 2021.

Ashford Lane

Ashford Lane is the repositioning of the former Perimeter Place shopping center at 4500 Olde Perimeter Way. It is anchored around a 1.6-acre greenspace called “The Lawn” and a new 17,000 SF food hall that opened in March 2022. No new square footage will be constructed, but rather a full repositioning of the retail mix is being conducted by JLL. Ashford Lane will look to differentiate itself by positioning itself as all-day destination, featuring an indoor-outdoor bar and a license to permit an open-container district.

Campus 244

The reuse and redevelopment of the former Gold Kist headquarters is being undertaken by Georgetown Company and RocaPoint Partners at 244 Perimeter Center Parkway. The site is located with visibility off I-285 and is adjacent to the Atlanta Marriott Perimeter Center and new State Farm site. The existing 265,000 SF building is being converted into a 380,000 SF creative workspace for collaborative and innovative companies who desire urban and transit-oriented development. The 13-acre site will also include retail and restaurants, and a 145-room Element Hotel. Construction began in early 2022.

Land Use and Development Patterns

Perimeter Marketplace

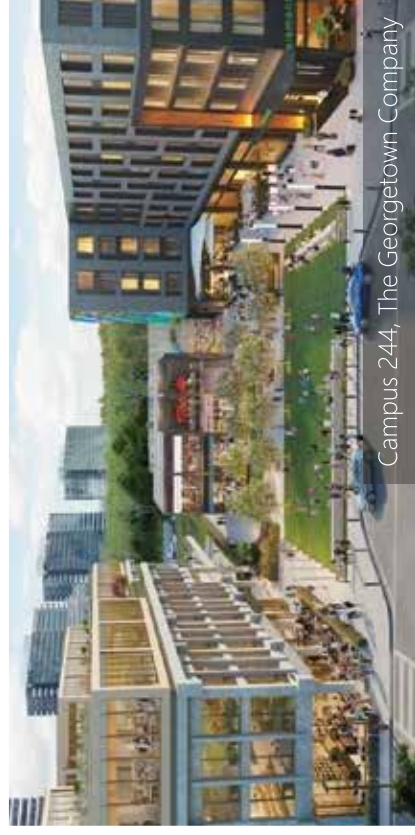
Perimeter Marketplace is a 68,000 SF, 10-acre shopping center site under construction at the northwest corner of Meadow Lane and Ashford Dunwoody Road. The center is anchored by a 25,000 SF Publix and will feature a mix of national and local retail and services. Expected completion is 2022.

Park at Perimeter Center East

Located along Perimeter Center East, and along the eastern edges of the study area, the site currently encompasses three low-rise office buildings and surface parking lots. The 19.5-acre site is planned to be transformed into a residential mixed-use community anchored by trails and a small park. Multifamily product will be targeted towards active adult (55+), first time renters, and urban professionals. Other uses include 130,000 SF of new modern office space, retail, and outdoor dining. The project is currently in the planning process due to revisions from the development team based on changing market conditions.

84 Perimeter Center East

A 2-acre redevelopment site at the southeast corner of Perimeter Center E and Ashford Dunwoody Road, 84 Perimeter Center East is planned for two buildings with a common parking structure. It is expected to have 225 age-restricted residential units, and over 40,000 SF of office, retail, and restaurant space.



Land Use and Development Patterns

Surrounding Area Planned and U/C Projects

The Perimeter area features several major projects that are either under construction or in the planning process. These developments will create significant change in the land use and built form of the Perimeter area upon completion, generating more employment and shopping opportunities that serve a regional trade area.

AMLI Mixed-Use Project

The former headquarters of Cox Enterprises, the site sat vacant for three years and was unable to secure a large-scale office tenant. Current redevelopment plans for the 21-acre site include 630 multifamily residential units and 25,000 square feet of retail and food & beverage.

Altmore

Altmore is an infill project of a former suburban office park directly adjacent to the Medical Center MARTA station in Sandy Springs. A 186-room Hyatt House hotel opened in 2021 alongside a parking structure, restaurant, and renovated existing office space. Future plans include five restaurants built around a water feature and community plaza, 250,000 SF of new office, and 335 multifamily residential units.

Glenridge Highlands Three

A 150,000 SF office building currently in pre-leasing through CBRE. The project is an addition to Glenridge Highlands office towers One and Two along the Glenridge Connector.

300 Glenridge Point Parkway

An infill project at the northern point of Glenridge Point Parkway, plans include 112,000 SF of medical office and a 194,000 SF assisted living facility. There is limited information and details on this project currently available.

Parkside Shopping Center

An infill and redevelopment project in the City Springs area. Jamestown Properties was granted rezoning approval in late 2021 for 8-acres of the 13-acre site. Current plans call for 218 multifamily units in a mix of townhomes, condos, and apartments, 51,400 SF of new retail, and 63,000 SF of office.

Northpark 700

Northpark 700 will be a 26-story, 450,000 SF office tower built next to the Sandy Springs MARTA station. It will be the fourth and last building in the Northpark Town Center Development.

Abernathy 400

A mixed-use development planned by Cousins Properties. The site is expected to have upwards of 570,000 SF of office, along with hotel and retail, however no specific plans have been released on the site located at the Route 400 and Abernathy Rd Interchange.

NorthPlace

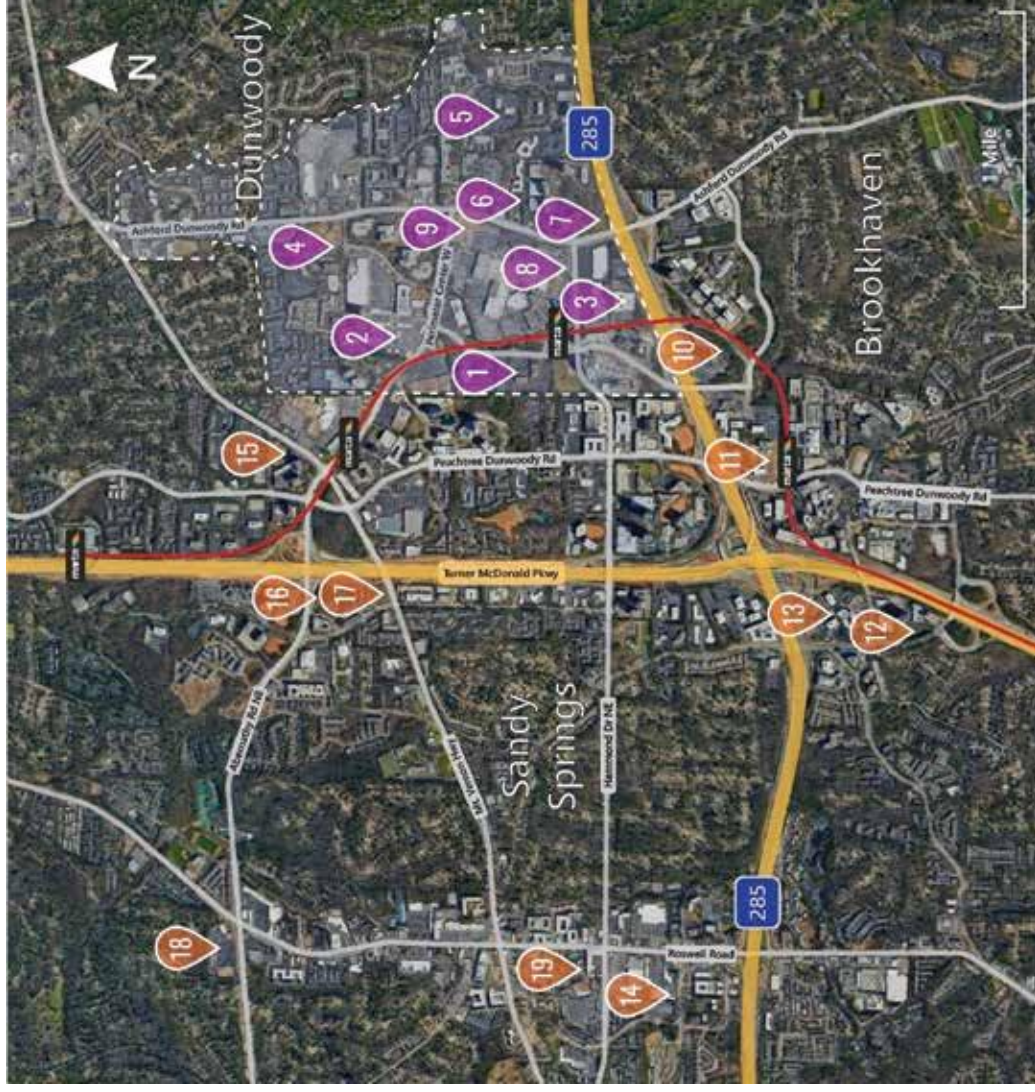
A mixed-use property with up to 290,000 SF of medical office permitted on site in a 10-story building. A 141-room Aloft hotel will open in 2022.

Land Use and Development Patterns

Development in both the study area and surround areas is significant in diversity and scale.

There are over 5,500 residential units, 750,000 SF of retail and restaurants, 3,000,000 SF of office, and four hotels that are either under construction or in the planning stages. It should be noted that several projects, specifically office-related, have been in the planning stages for several years and may change development programs as market conditions shift.

Figure: Planned and Under Construction Projects



Land Use and Development Patterns

Table: Proposed and Under Construction Projects

Map #	Project	Current Status	City	Address	Acres	Residential (Units)	Retail & Dining (SF)	Office (SF)	Hotel Rooms
1	High Street	Phase 1 U/C	Dunwoody	211 Perimeter Center Pkwy	36	3,000	400,000	635,000	400
2	Ashford Lane	Repositioning	Dunwoody	4500 Olde Perimeter Way	N/A			19,000	
3	Campus 244	U/C	Dunwoody	244 Perimeter Center Parkway	12.8		25,000	380,000	145
4	Perimeter Marketplace	U/C	Dunwoody	600 Ashwood Parkway	10		81,945	3,752	
5	Park at Perimeter Center East	Planning	Dunwoody	47 Perimeter Center East	19.4	1,196	-	660,210	
6	84 Perimeter Center East	Planning	Dunwoody	84 Perimeter Center East	2.3	225	30,110	10,348	
7	11 Ravinia Parkway	Planning	Dunwoody	11 Ravinia Parkway	3.4		110,000		
8	Buffalo Wild Wings	Planning	Dunwoody	1260 Hammond Drive	1		9,384		
9	Lazy Dog Restaurant	U/C	Dunwoody	4400 Ashford Dunwoody Rd	1		11,371		
10	AMLI Mixed-Use Project	U/C	Brookhaven	1400 Lake Hearn Drive	21	630	25,000	250,000	
11	Altmore	U/C	Sandy Springs	5775 Peachtree Dunwoody	20	335	25,000	150,000	
12	Glenridge Highlands Three	Planning	Sandy Springs	5550 Glenridge Connector	3			112,000	
13	300 Glenridge Point Pky	Planning	Sandy Springs	300 Glenridge Point Pky	N/A	194,000 SF		63,500	
14	Parkside Shopping Center	Planning	Sandy Springs	5920 Roswell Road	13	255	51,400	450,000	
15	Northpark 700	Planning	Sandy Springs	700 Northpark Place	N/A			570,000	
16	Abernathy 400	Planning	Sandy Springs	400 Abernathy Road	8			290,000	141
17	NorthPlace	Planning	Sandy Springs	6401 Barfield Road	3				
18	Sandy Springs Crossing	Planning	Sandy Springs	6690 Roswell Road	4.58	200	4,080		
19	Proposed Apartment Building	Planning	Sandy Springs	208 Sandy Springs Place	1	21			

Notes

- Metrics for developments are approximate using data supplied by the City of Dunwoody, commercial brokers, and marketing documents as of January 2022.
- High Street will consist of 139,000 SF of new office development after demolition of existing office space and construction of new leasable space.
- Park at Perimeter Center East will consist of 468,000 SF of new office development in addition to 192,210 SF of existing office.
- Parkside Shopping Center is expected to be a partial redevelopment of the existing single-use shopping center.
- Several apartment buildings are proposed in City Springs, but do not have available residential unit counts at this time.

Competitive Review



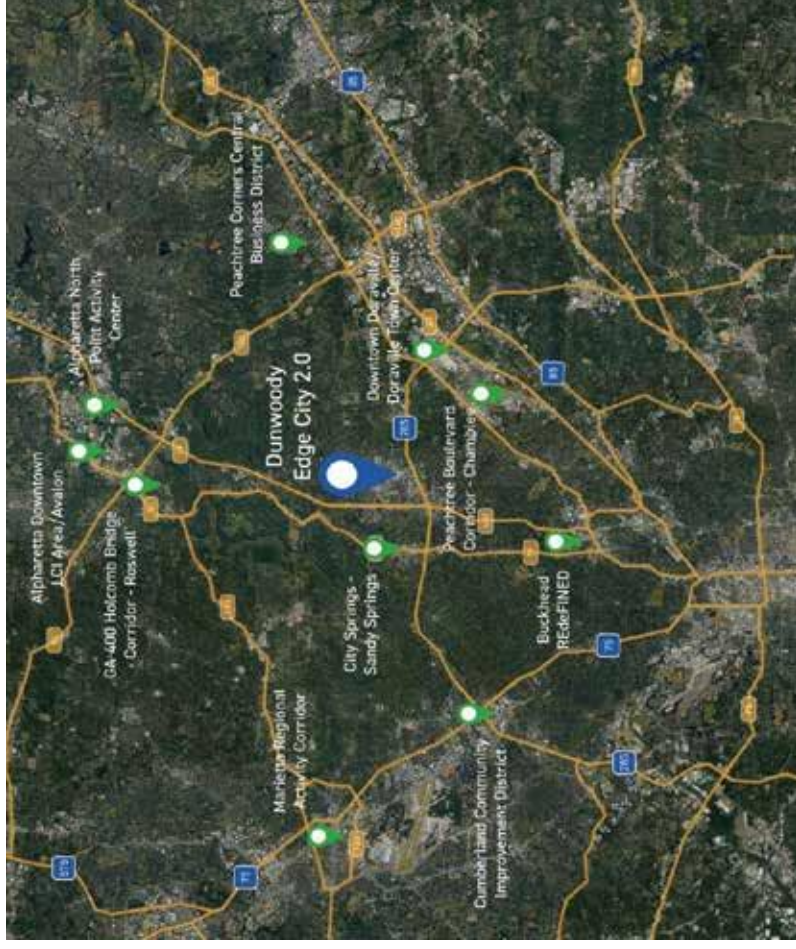
Competitive Review

Introduction

Dunwoody Edge City 2.0 is in a strategic location at the confluence of two major highways and is also central to a significant amount of growth in North Atlanta. More housing, office, retail, accommodation, and entertainment are planned across the region in a variety of urban forms and densities, most in areas that are infill and redevelopment. These nodes have influence and impact on how Edge City 2.0 will position itself and grow over the next several decades.

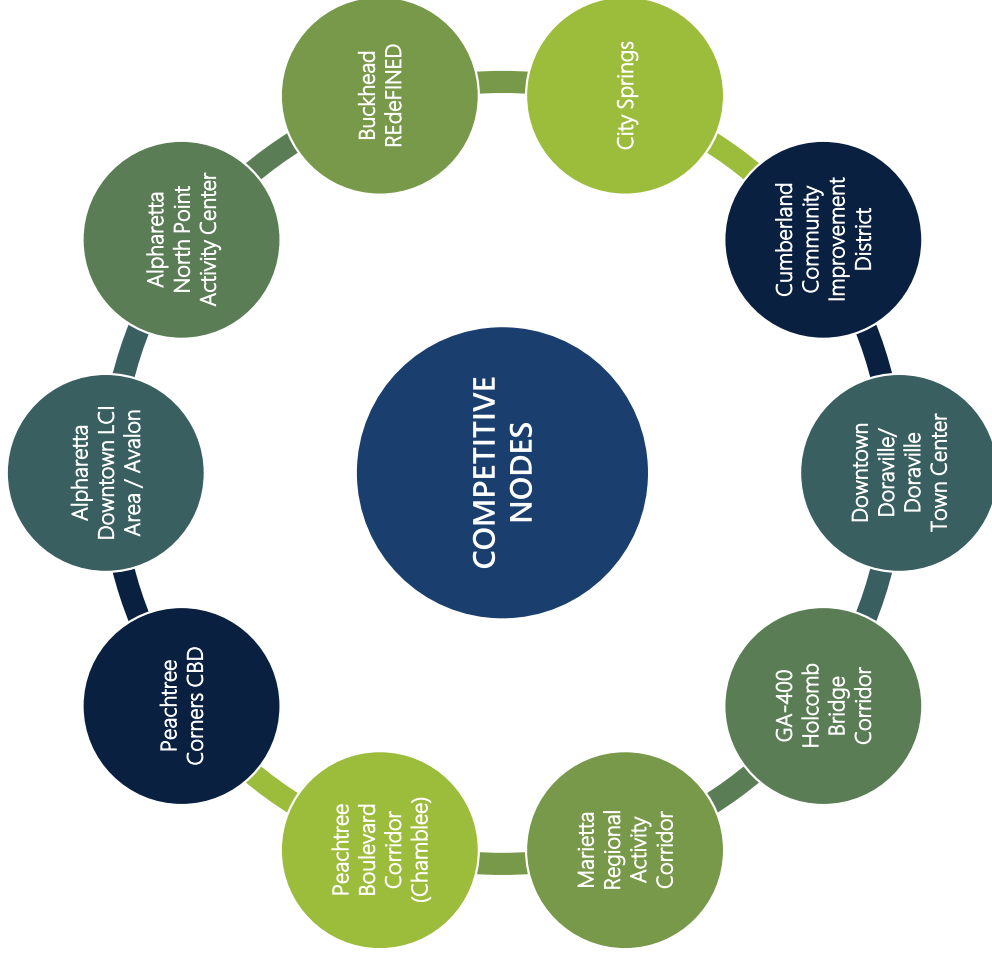
A competitive review of ten infill and redevelopment areas was undertaken to determine their implications on the study area. This review includes an existing conditions and anchors analysis, future plans and positioning based on a study of current comprehensive plans, LCI studies, policy documents, and trends in demographics, economics, and real estate of the general area. Certain competitive areas such as Buckhead have grown significantly over the past decade, while others such as the Marietta Regional Activity Corridor are only in the planning stages.

Figure: Competitive Planning Areas



Competitive Review

The ten areas or "nodes" under review are disbursed around the North Atlanta region and were confirmed by the client team as either competitive or aspirational to Edge City 2.0.



Competitive Review

Demographics & Economics – 2-Mile Radius

The following table examines each competitive planning area from a variety of demographic and economic perspectives and compares it to Dunwoody Edge City 2.0. A 2-mile radius from the approximate center of the planning area was used for data collection. In Dunwoody Edge City 2.0, the center point was the northern boundaries of the Perimeter Mall. This means that the 2-mile radius includes areas of Sandy Springs and Brookhaven.

Table: Demographics and Economics of Competitive Planning Areas

Node	City	Population		Annual Growth 2010 to 2021	Demographics & Economics 2-Mile Radius				Persons Per Household	Median Home Value	Per Capita Consumer Spending (Annual)	Daytime Employment	
		2010	2021		Median Age	Bachelor's Degree or Higher	Average Household Income	Owner Occupied Households					Renter Occupied Households
Alpharetta Downtown LCI Area/Avalon	Alpharetta	22,518	28,404	2.4%	37.2	60.0%	\$ 132,658	6,609	6,484	2.17	\$ 393,027	\$ 15,917	49,676
Alpharetta North Point Activity Center	Alpharetta	22,184	27,840	2.3%	38.7	59.0%	\$ 142,263	7,140	6,114	2.10	\$ 399,629	\$ 16,660	42,468
Buckhead	Atlanta	54,889	82,321	4.5%	37.8	70.0%	\$ 145,822	22,253	24,407	1.76	\$ 646,140	\$ 19,574	74,798
City Springs	Sandy Springs	34,315	45,539	3.0%	38.8	60.0%	\$ 132,585	12,636	9,734	2.04	\$ 464,303	\$ 16,932	69,576
Cumberland Community Improvement District	Cumberland	41,964	49,877	1.7%	34.8	53.0%	\$ 92,745	6,900	19,513	1.89	\$ 332,865	\$ 14,086	80,945
Downtown Doraville / Doraville Town Center	Doraville	38,750	56,750	4.2%	33.7	29.0%	\$ 75,895	7,768	13,688	2.64	\$ 273,251	\$ 9,632	29,235
GA-400 Holcomb Bridge Corridor	Roswell	36,016	40,151	1.0%	35.4	39.0%	\$ 109,338	7,904	8,483	2.45	\$ 314,297	\$ 12,768	30,087
Marietta Regional Activity Corridor	Marietta	29,641	33,411	1.2%	33.9	32.0%	\$ 72,128	4,935	8,936	2.41	\$ 239,752	\$ 10,238	29,673*
Peachtree Boulevard Corridor	Chamblee	35,609	57,249	5.5%	35.3	44.0%	\$ 105,680	10,592	13,641	2.36	\$ 385,041	\$ 12,754	21,447
Peachtree Corners Central Business District	Peachtree Corners	28,047	33,494	1.8%	39	53.0%	\$ 120,095	9,128	4,196	2.51	\$ 346,956	\$ 13,927	32,555
Dunwoody Edge City 2.0	Dunwoody	41,650	50,874	2.0%	37.8	72.0%	\$ 139,546	11,816	14,313	1.95	\$ 474,910	\$ 18,150	91,366

Source: U.S. Census, CoStar



Competitive Review

Analysis

The Edge City 2.0 node compares favorably to many other nodes.

- **Highest educational attainment** (Bachelor's degree or higher), followed by Buckhead.
- **Largest daytime employment by a wide-margin**, followed by Cumberland CID and Buckhead.
- **Third highest average household income**, only behind Buckhead and Alpharetta North Point Activity Center.
- **Second highest median home value**, behind Buckhead.
- **Second highest per capita consumer spending (annual)**, behind Buckhead, correlating with household income and home values.

Edge City 2.0 has more average demographic statistics when analysing other criteria. Population growth has not kept up with areas such as City Springs or the Alpharetta Downtown LCI Area. This is due to most development over the past decade focused on employment, retail, and accommodation uses. Areas such as Downtown Doraville, Cumberland CID and the Peachtree Boulevard Corridor in Chamblee have much younger populations.

Surprisingly, the Edge City 2.0 node has the second lowest persons per household at 1.95, only in front of Cumberland (1.89), and Buckhead (1.76). This is likely due to limited single-family neighborhoods in the 2-mile radius and a large proportion of multifamily in the area, while nodes that have experienced little or no redevelopment have a larger number of single-family homes and larger old townhomes.

This data analysis demonstrates that the Edge City 2.0 has many similarities to the Buckhead node. It is well educated, has high household incomes, median home values, and consumer spending. Both nodes are also along the same highway and MARTA line. This plays favorably for Edge City 2.0, as it has strong core fundamentals to build upon, but city staff and residents can decide on how the area will grow out over time from a form, density, and function standpoint.

Competitive Review

Real Estate Comparison

Office, retail, multifamily, and hotel were analyzed for each 2-mile radius node and compared to Dunwoody Edge City 2.0 node. Data for this analysis is included in the Appendix of this report. Data was collected during January 2022. Like the Demographic and Economic Analysis, the center point was the northern boundaries of the Perimeter Mall. This means that the 2-mile radius includes areas of Sandy Springs and Brookhaven.

Office – The Edge City 2.0 node has the largest office inventory, at 31.6 million SF, significantly higher than the Cumberland CID and Buckhead nodes. While it has the largest amount of new inventory over the past three years and the second highest market rents (following Buckhead), it has the second highest vacancy rates (18%), only following the Peachtree Corners Central Business District.

Retail – The Edge City 2.0 node has the third lowest vacancy rate at 4.5%, following Buckhead and the Peachtree Boulevard Corridor in Chamblee. Market rents are dramatically higher than most other competitive nodes including Alpharetta Downtown LCI Area/Avalon. It only trails Buckhead which has the highest market rent at \$33.26. The node trails Alpharetta when it comes to new inventory, with both Alpharetta nodes experiencing significant new supply in recent years. This is likely to change with the development of High Street.

Three Ravinia



Significant amounts of office space were built in the study area in the 1980's such as Three Ravinia to capture suburban office growth and leverage the highway network.

Competitive Review

Multifamily – The Edge City 2.0 node has a significant inventory of multifamily units, coming in third behind Buckhead and the Cumberland CID. Most inventory is older stock as Buckhead and the Cumberland CID have added thousands of new rental units in the past several years, compared to 655 in the Edge City 2.0 node. Most new multifamily has been built in Sandy Springs along Hammond Drive. Annual rent growth, market rents, and cap rates are all competitive compared to other nodes, although average rents trail Buckhead and the Alpharetta Downtown LCI Area/Avalon nodes.

Hotels – The Edge City 2.0 node has the third largest hotel room inventory, behind Buckhead and the Cumberland CID. Surprisingly occupancy rates are the lowest out of all the competitive nodes, at only 55% as of January 2022. Most other nodes ranged between 58% and 64% occupancy. Regardless, the Edge City 2.0 node is viewed as a strong hotel investment area as cap rates of 7.0% are lowest of all nodes, even besting Buckhead at 7.5%.

What Does this Mean for Edge City 2.0?

Edge City 2.0 and the surrounding area has competitive metrics across most real estate categories. Higher vacancy in office and lower occupancy in hotel, along with lagging residential construction compared to other nodes are indicators to be considered for the market analysis and future scenario planning.

The Bishop



New multifamily development constructed in the past decade have been built in Sandy Springs, such as The Bishop, located near the border of Dunwoody.

Alpharetta Downtown LCI Area/Avalon - Alpharetta

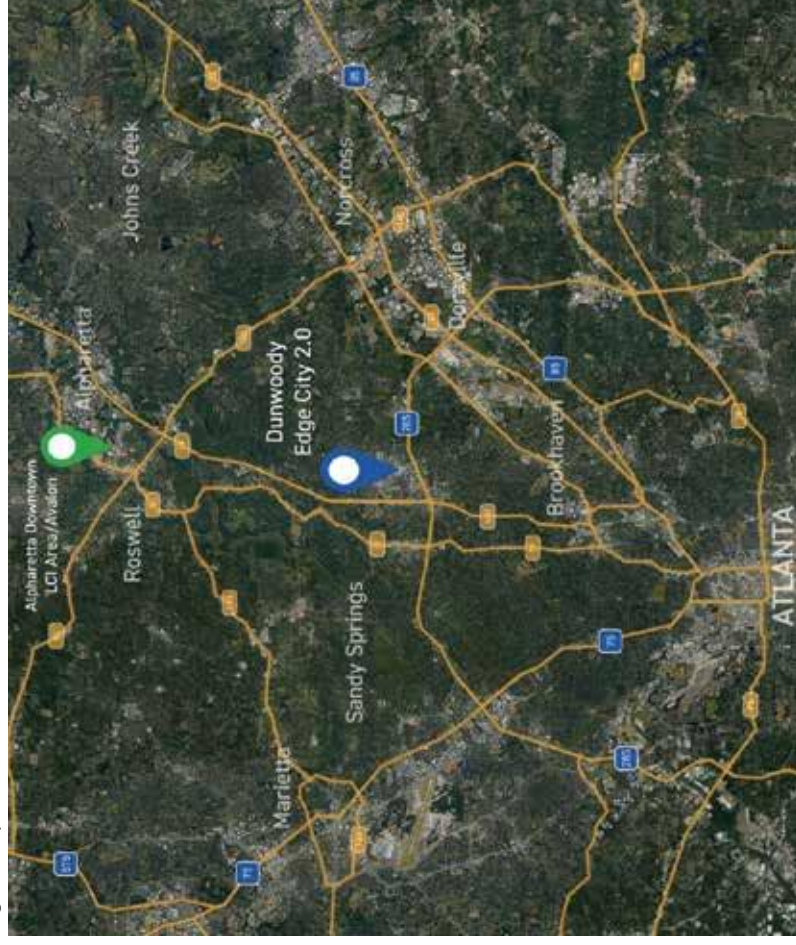
Existing Conditions

Alpharetta's City Center and Avalon community has developed into a mixed-use development area west of the Turner McDonald Parkway (400) along Old Milton Parkway (120). The land use pattern consists of mixed-use buildings of residential and ground level frontage retail, outdoor lifestyle centers, upscale hotel, institutional and civic buildings. New development is focused on proximity to major anchors such as the new City Hall in the city center and Avalon. The street patterns are built with pedestrian priority that connect various areas together. The area between City Center and Avalon is mostly residential and undeveloped greenfield; however, this is quickly shifting.

Major Anchors to Area

- The Regal Avalon
- Whole Foods Market
- Alpharetta Conference Center
- Alpharetta City Hall
- Alpharetta City Center
- The Hamilton Alpharetta by Hilton
- Alpharetta Crossing Shopping Mall
- Colony Office Park
- Wills Park

Figure: Alpharetta Downtown LCI Area/Avalon Location



Alpharetta Downtown LCI Area/Avalon - Alpharetta

Future Plans and Positioning

As part of the 2015 Downtown Master Plan and Alpharetta Comprehensive Plan 2040, the priority is to continue to develop mixed-use and density residential around the city core while alleviating traffic and road congestion. The goal is to create a highly walkable area within the city center including historic preservation and there are plans to cluster pedestrian-friendly retail and restaurants together to generate further density.

Recent developments exhibit that commercial buildings are being proposed and built surrounding the city center core including a new 30,000 SF office, a 30,000 SF mixed-use office/retail building, and a renovation of a 30,000 SF mixed-use office building that preserves the historical significance while creating new space for tenants. There are also multiple new developments of higher density residential and commercial along Old Milton Parkway (120) towards the Avalon Community. The Avalon community itself is built up as a mixed-use and livable community area and has built out in multiple phases.

Implications for Dunwoody

- Alpharetta is viewed as a trendy place to live, and Avalon is a major shopping and dining destination for North Atlanta suburbs.
- Dunwoody will need to compete against Alpharetta for pulling spending dollars from other communities.
- Dunwoody can leverage its stronger central connectivity, MARTA station, and diverse employment.
- Dunwoody currently does not have a central greenspace or cultural/entertainment center to attract work, live, play. High Street will initiate change.



Alpharetta North Point Activity Center - Alpharetta

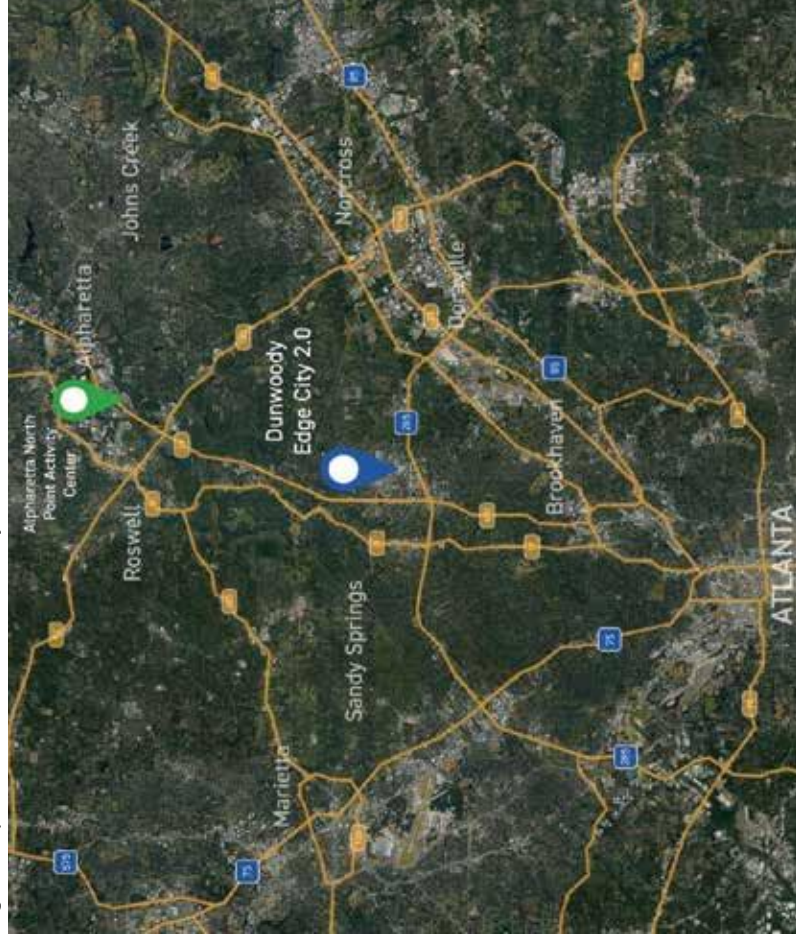
Existing Conditions

The North Point Activity Center area was defined as a Livable Center Initiative (LCI) study area in 2008. It stretches along the Turner McDonald Parkway (GA-400) between Mansell Road and Kimball Bridge Road. In 2017 and reflected in new placemaking plans in 2019, the LCI area was reduced in size, focusing south of the Turner McDonald Parkway (GA-400) and centered along North Point Parkway between Mansell Road and Kimball Bridge Road. The current land use pattern consists of retail/restaurants and a large shopping mall, North Point Mall, a small number of hotels scattered around the area, and commercial buildings such as business parks concentrated at the northeast and southwest ends of the area. The southern portion consists of a large greenspace/undeveloped area along Big Creek.

Major Anchors to Area

- North Point Mall
- Mansell Crossing
- North Point Market Center
- North Point Park Business Center
- Milton Park Business Center
- North Point Commons Shopping Area

Figure: Alpharetta North Point Activity Center Location



Alpharetta North Point Activity Center - Alpharetta

Future Plans and Positioning

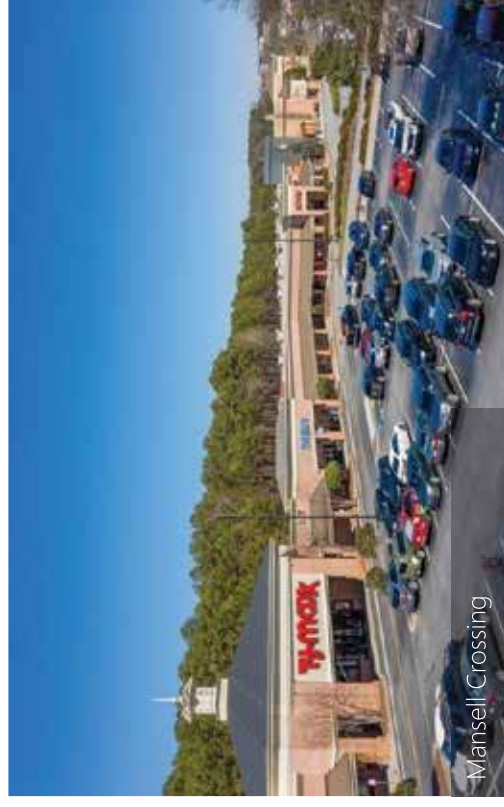
As part of the new 2019 North Point Creative Placemaking Plan, the area is to be transformed from a vehicle-oriented environment into a mixed-use, walkable district. Leveraging the large greenspace to the south, the future of North Point is to create a connected community featuring a large greenway alongside North Point Parkway and enhancing the walkway with a “river of trees” including both natural and man-made placemaking.

Currently, the area is primarily zoned for Planned Shopping Center (PSC) with two small zones of mixed-use and multi-family residential. Future land use plans to create commercial along southern portions of North Point Parkway, high density residential near Big Creek, and mixed-use along the northern portion of North Point Parkway.

Current new developments and proposals include a large 14-acre redevelopment of North Point Mall into mixed-use accommodating 328 rental units, 24,000 SF service retail, and replacing portions of a large parking lot on North Point Parkway to create three new buildings totaling 25,000 SF of restaurant/retail.

Implications for Dunwoody

- Both areas are anchored around an enclosed shopping mall that will require infill or redevelopment over time. North Point mall is already taking the initiative to transform from mall into mixed-use and attracting developers.
- Significant amounts of shopping with easy access off Hwy 400.
- Big Creek and Roswell Greenway offers a nature element that Dunwoody cannot replicate in Edge City 2.0.
- Dunwoody offers MARTA access and has a more diverse mix of uses in a higher density environment.



Mansell Crossing

Buckhead REdeFINED - Atlanta

Existing Conditions

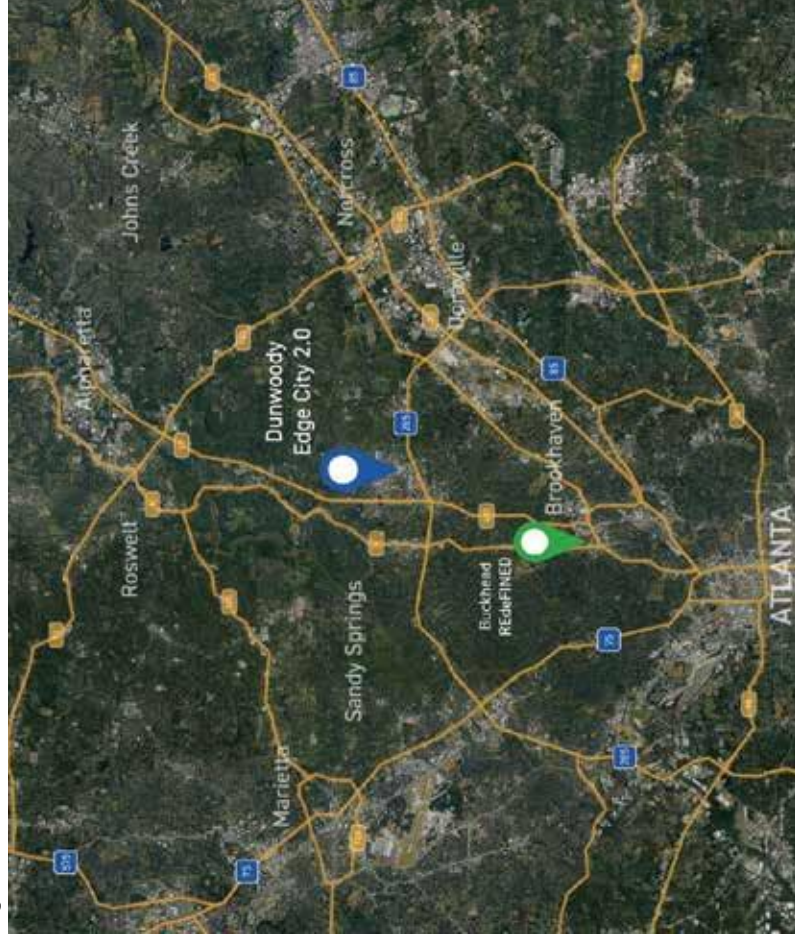
Buckhead REdeFINED is situated in North Atlanta centered at I-400 and Peachtree Rd NE. The boundaries consist of Old Ivy Road to the north, Peachtree-Dunwoody Road / Roxboro Road to the east, Rumson Road and Pharr Road to the south, and Chatham Road to the west. It encases the Buckhead Village, North Buckhead, South Tuxedo Park, Buckhead Forest, and Lenox neighborhoods. Land uses feature a dense mix of retail, commercial, condos, and high-rise office buildings along Peachtree Rd and Piedmont Rd. Mixed-use properties fill the Buckhead Village neighborhood. Residential ranging from apartments to townhouse and single-family homes cover north of Phipps Plaza and east of Lenox Square. Two MARTA stations, one for the gold line and one for the red line, are in the southeast near Lenox and North Buckhead.

Major Anchors to Area

- Buckhead MARTA Station
- Lenox MARTA Station
- Phipps Plaza Shopping Mall
- Lenox Square Shopping Mall
- Buckhead Landing Shopping Mall
- Buckhead Theatre
- Atlanta History Center

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Figure: Buckhead REdeFINed Location



Buckhead REdeFINED - Atlanta

Future Plans and Positioning

Buckhead REdeFINED is a 2017 study poised to capture the cross-generational market as an ideal live, work, study, and play community. The area is also defined in the City of Atlanta 2021 Comprehensive Development Plan, Plan A, as a Regional Activity Center/Transit Oriented Development area. Focusing on pedestrian-friendly initiatives, the plan looks to address urban heat island issues, reducing car dependency, increasing mixed-use street vibrancy, and many other ideas that tackle the discrepancy between competing business and residential priorities. The REdeFINED plan also plans subareas to leverage land-use patterns.



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Implications for Dunwoody

- Large built-up area that continues to attract significant investment and business.
- Dunwoody Edge City 2.0 has more of a “blank slate” for redevelopment and positioning versus Buckhead’s various built out areas.
- There is concern in the perception of crime in Buckhead whereas Dunwoody is seen as safe.
- Buckhead’s demographics are not as diverse as Dunwoody, allowing Dunwoody to leverage a strategy that markets to an inclusive audience.
- Dunwoody is a smaller municipality and can potentially expedite processes at a faster rate, if need be.

City Springs – Sandy Springs

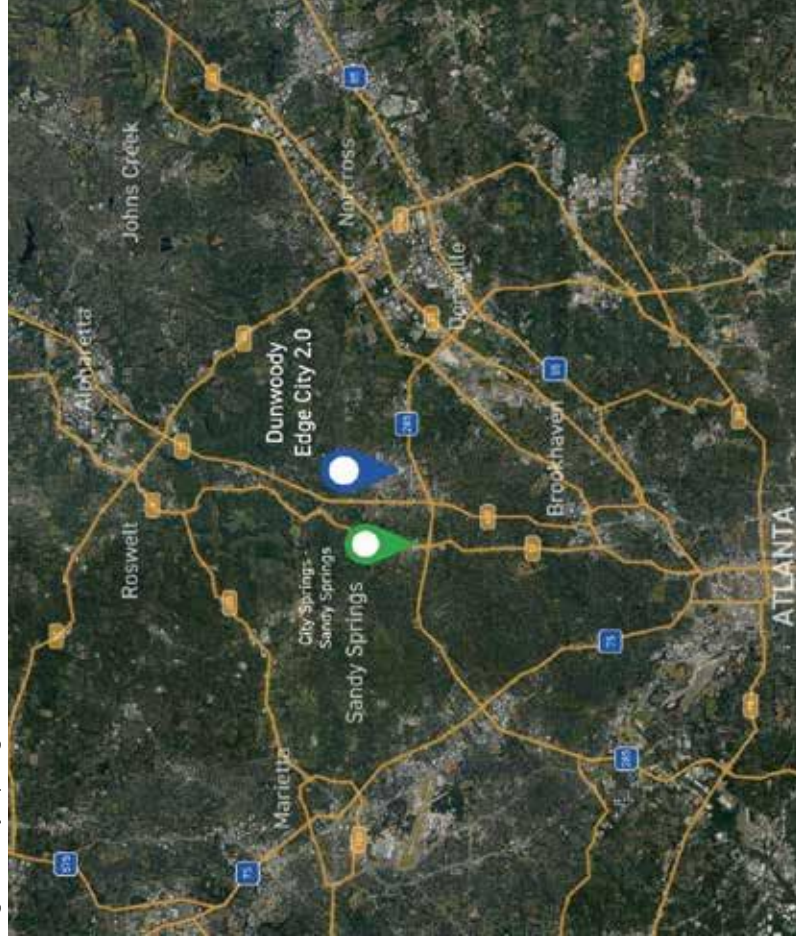
Existing Conditions

The city center of Sandy Springs is situated along Roswell Road NE and called “City Springs”. City Springs is anchored by City Hall and the Sandy Springs Performing Arts Center, along with mixed-use development. It is abutted by commercial/mixed-use zones to the north and south. The land-use pattern surrounding the urban core is a transforming landscape of mixed-use residential, strip retail and pad restaurants, big box retail chain stores, car dealerships, and low to medium density residential including apartments. There are also several small-scale office buildings interspersed among the strip retail centers. Two to three blocks on either side of Roswell Road, the urban fabric transitions into low-density single-family residential.

Major Anchors to Area

- Sandy Springs City Hall
- Sandy Spring Shopping Mall
- Cornerstone Square Shopping Mall
- Hammond Square Shopping Center
- City Walk Sandy Springs Shopping Mall
- Hammond Exchange Shopping Mall
- The Plaza at City Springs Shopping Mall
- The Prado Shopping Mall
- Abernathy Square Shopping Mall
- Sandy Springs Crossing Shopping Mall

Figure: City Springs Location



City Springs – Sandy Springs

Future Plans and Positions

As part of the LCI City Springs District Update 2018, the area continues to transform into a mixed-use, connected city center with recent mixed-use and residential developments replacing aging retail and office buildings. The updated plan also envisions a coherent road layout to ensure walkability and connectivity is achieved. The Roswell Road Small Area Plan 2017 plans the southern mixed-use/commercial area as its own development node called “Crossroads”. It will be redeveloped as mixed-use connecting east-west with Roswell Road NE as the centerpiece. The northern mixed-use section will also see this type of infill with the Abernathy Square area reconfigured for mixed-use/commercial uses along with improved connections for walkability.

Implications for Dunwoody

- Closest in proximity to Dunwoody Edge City; may compete for similar development and product.
- No MARTA access limits transit-oriented development.
- Lower in density than Dunwoody.
- Has created a “Main and Main” by anchoring around a central green space, City Hall, and Performing Arts Center.
- Has experienced a significant amount of multi-family residential in recent years and is expected to continue to do so in the future.



Cumberland Community Improvement District - Cumberland

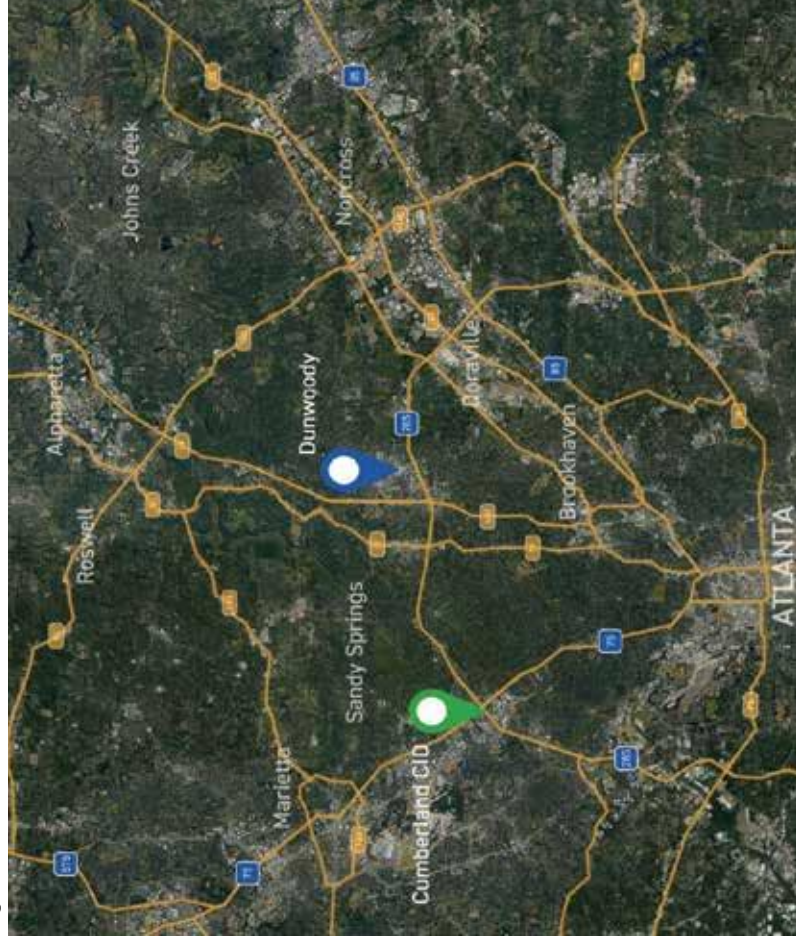
Existing Conditions

The Cumberland Community Improvement District (CID) is located surrounding the intersection of The Perimeter (I-285) and Larry McDonald Memorial Highway (I-75). Since the highway interchange cuts through the center of the CID, the land-use patterns are divided into quadrants surrounding the interchange extending south along The Perimeter. General commercial is focused on the west side of I-75 and include retail, hotels and other entertainment such as cinemas, art centers and a baseball park. The Battery Atlanta is a premiere mixed-use development that is adjacent to Truist Park, the home to the Atlanta Braves baseball team. The development of The Battery was a major catalyst for the CID. The northeastern quadrant is primarily office buildings with pad retail. Medium to high-density residential properties are scattered throughout the Cumberland CID but have a concentration in the southeastern quadrant of the interchange. The surrounding area is mostly residential.

Major Anchors to Area

- The Terrace at Windy Hill Shopping Center
- Truist Park Stadium / The Battery Entertainment Complex
- Heritage Pavilion
- Cumberland Mall
- Atlanta Galleria Office Park
- Cobb Energy Performing Arts Centre
- Akers Mill Square
- Apple Cumberland Mall
- Home Depot

Figure: Cumberland CID Location



Cumberland Community Improvement District - Cumberland

Future Plans and Positions

Designated as the Cumberland Community Improvement District (CID), the area is investing into densification and infill on underdeveloped areas. As of 2019 the CID is expected to build 2.26 million SF Class A office space, 540,000 SF of hotels, 1.6 million SF of multifamily space, and an expansion of retail & commercial space to a total of 4.7 million SF.

Recent projects to accommodate growth focus on alleviating highway interchange traffic and congestion. This includes the Riverwood Parkway project to create better walkability, office development access, highway ramp creations at Akers Mill Road to provide safer transit, and the Paces Mill rehabilitation project to connect greenspace to the community including the Chattahoochee River.

Implications for Dunwoody

- Similar connectivity to Dunwoody with major interchange connecting planning area to region.
- No MARTA connection for transit-oriented development.
- Dunwoody lacks strong mixed-use entertainment and cultural anchors like Truist Ball Park/ The Battery and Cobb Energy Performing Arts Center.
- Cumberland has strong mix of uses that rival live, work, play of Dunwoody including Class A office, hotels, dining, and new luxury apartments.



Downtown Doraville / Doraville Town Center

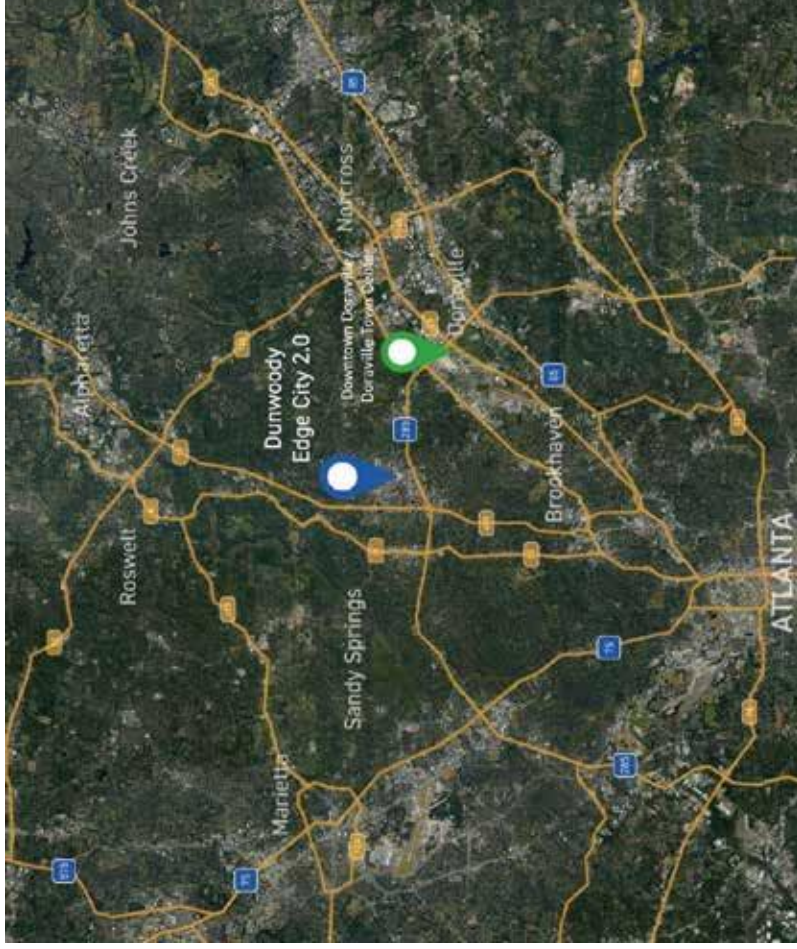
Existing Conditions

Downtown Doraville is a catalytic area for the City of Doraville located near the intersection of The Perimeter (I-285) and Buford Highway. It is home to the Doraville MARTA train station. As an emerging area, the land-use pattern currently consists of low-density retail and commercial along the Buford Highway, civic and institutional further towards the MARTA train station, and multiple parking lots along New Peachtree Road neighboring the station.

Major Anchors to Area

- Doraville MARTA Station
- Quick Trip Gas Station
- Shaking Crawfish
- Doraville Civic Center

Figure: Downtown Doraville / Doraville Town Center Location



Downtown Doraville / Doraville Town Center

Future Plans and Positions

Identified as a catalytic area, the downtown Doraville Town Center Area is poised to be redeveloped into a transit-oriented development. With many buildings vacant and underused, the city plans to build for infill density with retail/commercial, office, and multi-family residential. There are currently no new developments in this area, but there is ongoing interest in the city and the downtown core.

Gray TV recently acquired the area northwest of the downtown core in spring 2021 called "The Assembly" totaling 127 acres. They are planning to develop a "Studio City" offering a mixed-use community featuring studios, offices, retail space, apartments, townhomes and a hotel. In line with the Urban Land Institute's Technical Assistance Panel Report April 2021, the downtown core is in position to leverage these new developments to solidify vision, goals, and purpose for the area and incrementally create a mixed-use, walkable downtown core with connections and destinations neighboring the area.

Implications for Dunwoody

- Doraville is transforming towards a unique identity that could entice developments and residents who enjoy entertainment, dining, and culture.
- MARTA and I-285 connectivity is similar to Dunwoody Edge City.
- Assembly development can be built from the ground-up rather than infill or small-scale redevelopment.
- Located south of The Perimeter; advantage for targeting younger demographic.



Serta Simmons Bedding Building



GA-400 Holcomb Bridge Corridor – Roswell

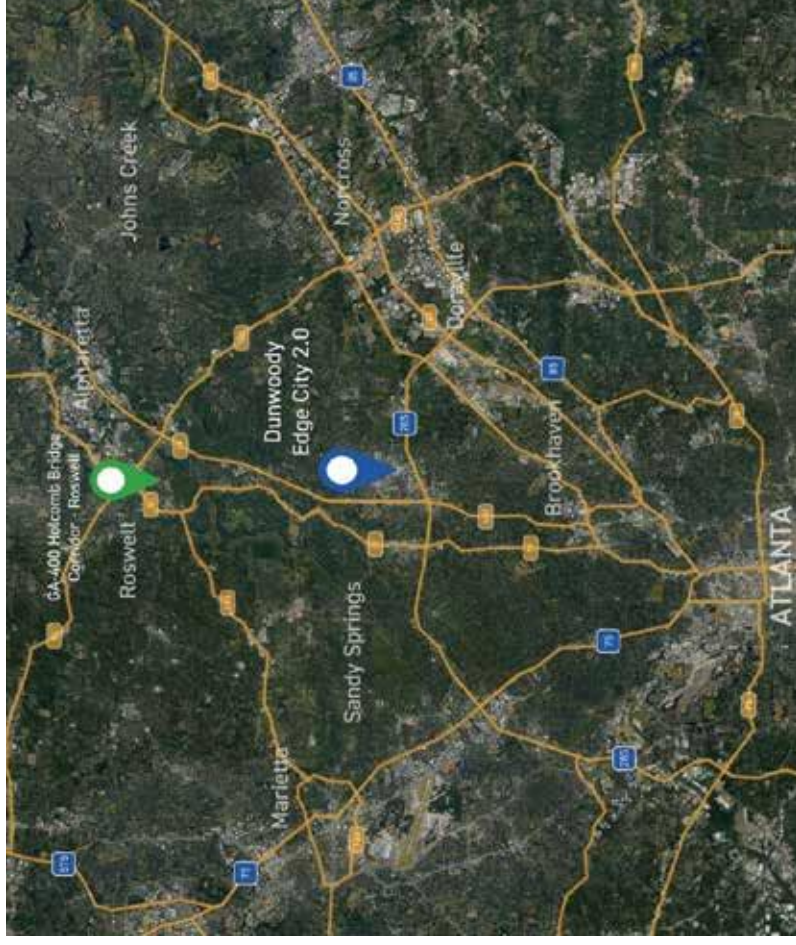
Existing Conditions

The GA-400 Holcomb Bridge Corridor consists of two areas defined by the City of Roswell: The Major Activity and Commercial Mixed-use areas. They are focused along Holcomb Bridge Road intersecting the Turner McDonald Parkway (400) and Alpharetta Highway (9). The areas' current land use pattern consists of office parks, mixed-commercial and commercial corridor zones featuring multiple shopping malls, strip retail along Holcomb Bridge, hotels, and various low density office buildings. Surrounding the commercial within the area are townhouses and other forms of residential.

Major Anchors to Area

- King Market Shopping Center
- Connexion Shopping Mall
- Holcomb Woods Parkway Office Park
- The Home Depot
- PGA TOUR Superstore
- Kimberly-Clark Corporation
- Regal Nissan
- Roswell Village Shopping Center
- Roswell Town Center Mall
- Riverview Plaza Shopping Center

Figure: GA-400 Holcomb Bridge Location



GA-400 Holcomb Bridge Corridor – Roswell

Future Plans and Positioning

The GA-400 Holcomb Bridge Corridor is expected to infill underdeveloped areas over the next 20 years, with emphasis on emerging as a transit-oriented development area surrounding the intersection of Holcomb Bridge Road and the Turner McDonald Parkway (400). Plans include potential heavy rail transit or BRT from MARTA and complete connections towards other areas acting as a gateway into Roswell. Mixed-use areas are expected to extend from the major intersection area along Holcomb Bridge Rd east to west including redevelopment of vacant or underutilized commercial buildings.



Kings Market Shopping Center

Implications for Dunwoody

- No established MARTA connections favor Dunwoody for transit-oriented development.
- Further north of The Perimeter than Dunwoody.
- Corridor is currently low-density; requires high commercial and residential densification.
- Dunwoody has multiple gateways to the study area.
- No current major redevelopment activity. Will likely require a long timeline for significant change to occur and gives advantage to Dunwoody's present transitioning.

Marietta Regional Activity Corridor - Marietta

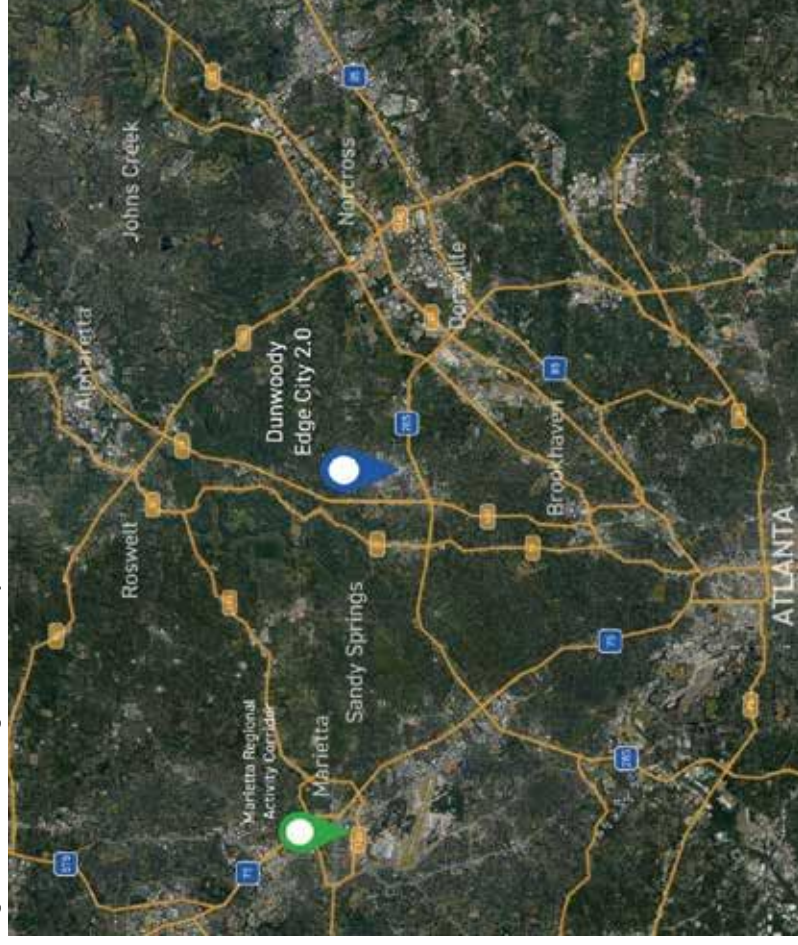
Existing Conditions

The City of Marietta is located west of the Larry McDonald Memorial Highway (I-75) with most regional commercial and business centered along Cobb Parkway (41) and the I-75. Office and businesses are also located in pockets near the Cobb County Civic Center and the historical area of Marietta Square. Heavy industry and warehousing are situated on the northern end of Marietta surrounding the intersection of the I-75 and Canton Road Connector NE. Two Livable Community Initiatives (LCI) have been conducted in the city, with one considering downtown Marietta and the other on the Franklin Gateway corridor along the I-75

Major Anchors to Area

- The Big Chicken KFC
- Franklin Gateway Sports Complex
- Kennesaw State University
- Life University
- Wellstar Kennestone Hospital

Figure: Marietta Regional Activity Corridor Location



Marietta Regional Activity Corridor - Marietta

Future Plans and Positions

The Marietta LCI 2019 study discussed that developments are to be focused on major redevelopment nodes that include connectivity between each district. The Big Chicken District has opportunity to infill vacant and underused parking lots and commercial areas into mixed-use and office buildings. In the City of Marietta's Comprehensive Plan 2017, the Regional Activity Corridor is designated for high intensity developments relating to regional trade and business.

Pedestrian walkability and connections are vital to the future of this corridor due to the distances that the corridor covers. Transit-oriented development should be considered where appropriate. The Central Business District area centered on the Marietta Square of the plan will continue to focus on general commercial, historic uses and encourage mixed-use development.

Implications for Dunwoody

- Regional Activity Corridor is spread out over a large area on both sides of I-75, with Dunwoody's Edge City more compact and walkable.
- Disparate areas that have limited connectivity compared to Dunwoody.
- Dunwoody Edge City recognized as an important commercial and employment center compared to Regional Activity Corridor.
- No MARTA or higher order transit in Regional Activity Corridor.
- Requires significant initial investment to initiate change; Dunwoody is further ahead.



Parkway Center

Peachtree Boulevard Corridor - Chamblee

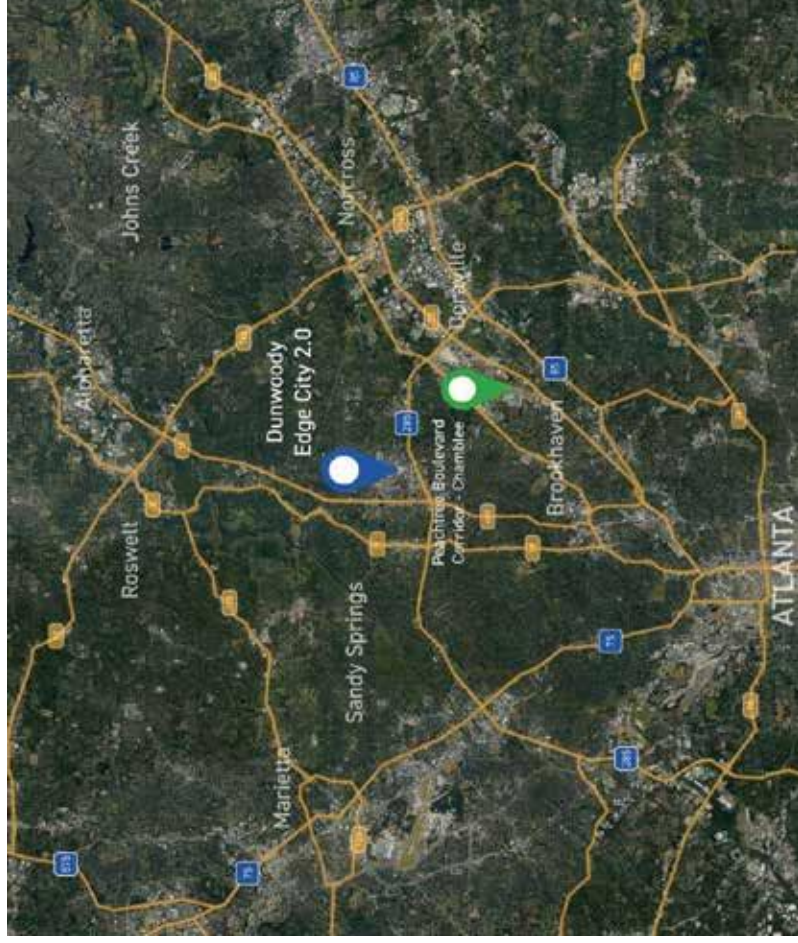
Existing Conditions

The Peachtree Boulevard Corridor is an approximate 1.7-mile corridor running along Peachtree Boulevard through the center of Chamblee. This rapidly developing corridor consists of strip retail shopping centers, big box national chains, pad retail, auto dealerships, and newer multi-family development. The Chamblee MARTA station is located on the southern edges of the corridor. The western portion of the corridor, and properties closest to the MARTA station, have experienced redevelopment to higher density apartments and mixed-use projects. There have been a variety of housing types built in the area, including town

Major Anchors to Area

- Lowe's Home Improvement
- Walmart Supercenter
- Guardian Self Storage
- Peachtree Station Shopping Center
- Chamblee Plaza
- Station at Peachtree Apartments
- Attiva Peachtree 55+ Active Adult Living

Figure: Marietta Regional Activity Corridor Location



Peachtree Boulevard Corridor - Chamblee

Future Plans and Positioning

The One Chamblee Comprehensive Plan, adopted in 2019, envisions the corridor as an “active and visually appealing mixed-use corridor with pedestrian-oriented, human scale development”. The corridor is recognized as a primary gateway for the city and urban form should be complementary to the vision. Property owners are encouraged to redevelop existing strip commercial parcels into pedestrian-scale mixed-use development. Chamblee Plaza is specifically noted as a property for redevelopment, likely due to its adjacency to Chamblee Town Center and proximity to city hall.

Recommended uses for the corridor include medium and high-density residential, retail, office, mixed-use, parks and recreation, and institutional.

Implications for Dunwoody

- A significant amount of new mixed-use and multi-family residential is being built in an in-demand area.
- South of The Perimeter is advantageous for certain target markets. Focus has been on multi-family residential, especially for those that cannot afford Buckhead and other neighborhoods closer to Downtown Atlanta.
- Chamblee MARTA station is not integrated into the planning area and is separated by rail tracks.
- Lack of premiere office space and hotels which is likely to continue.



Parkview on Peachtree

Peachtree Corners Central Business District – Peachtree Corners

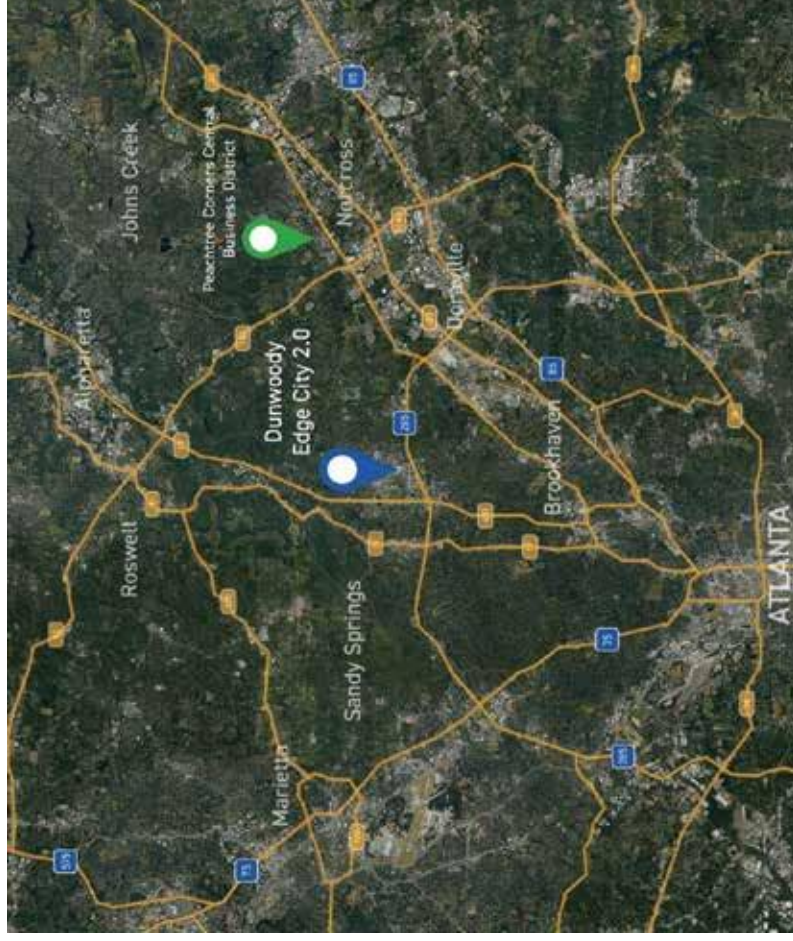
Existing Conditions

The Peachtree Corners' Central Business District is a cluster of the city's major economic areas spread along Peachtree Parkway. Included in the area is the City hall, Technology Park, the Forum, and Peachtree Corners Town Center. The land use mixture includes large campus-style office buildings, commercial complexes, and shopping centers on each side of the Parkway. Flex industrial are interspersed next to Technology Park Lake. Hotels and several low-rise apartments, townhouses are scattered along Technology Parkway NW.

Major Anchors to Area

- Atlanta Tech Park
- Gwinnett County Tag Office
- City of Peachtree Corners City Hall
- The Forum on Peachtree Parkway
- Peachtree Corners Town Center
- Peachtree Parkway Shopping Plaza
- Village at Peachtree Corners
- CMX CineBistro Peachtree Corners

Figure: Marietta Regional Activity Corridor Location



Peachtree Corners Central Business District – Peachtree Corners

Future Plans and Positioning

As part of the City of Peachtree Corners 2040 Comprehensive Plan, the Central Business District will continue to undergo transformation adding commercial, mixed-use, and higher density residential into a pedestrian-friendly community. Visually consistent, there is desire for significant residential components as current land-use lacks supply. The Comprehensive Plan is supported by the Peachtree LCI plan and the City of Peachtree Corners Innovation Master Plan. The former provided existing land-use and development understanding for the entire business district area. The latter Innovation Plan focused on existing uses of the Technology Park area and plans to transform it into a mixed-use, highly desirable community providing insight into catalytic sites to generate and build upon the economic aspects of the Central Business District as a whole.

Implications for Dunwoody

- Dunwoody has a more concentrated area to place focus on infill and redevelopment.
- Peachtree Corners is leveraging Atlanta Tech Park and focusing on the technology sector; Dunwoody should look at its strengths and leverage its established sectors.
- Peachtree Corners CBD is currently auto-oriented and cannot leverage mass transit and connectivity with downtown and Midtown Atlanta.
- The Forum and Peachtree Corners Town Center is an established pedestrian-friendly retail and entertainment node. Dunwoody currently lacks this type of format; however, High Street will look to change this.



Peachtree Corners Town Center

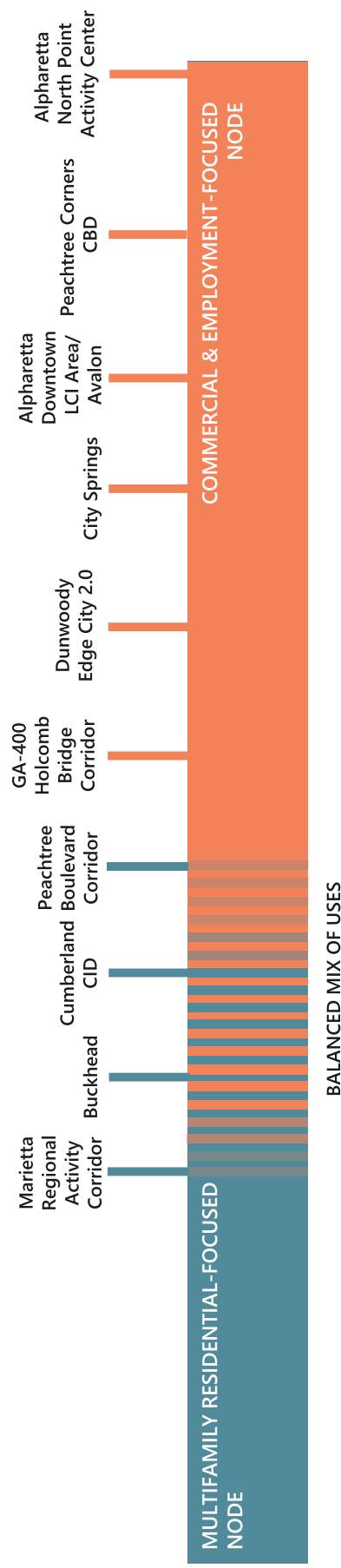
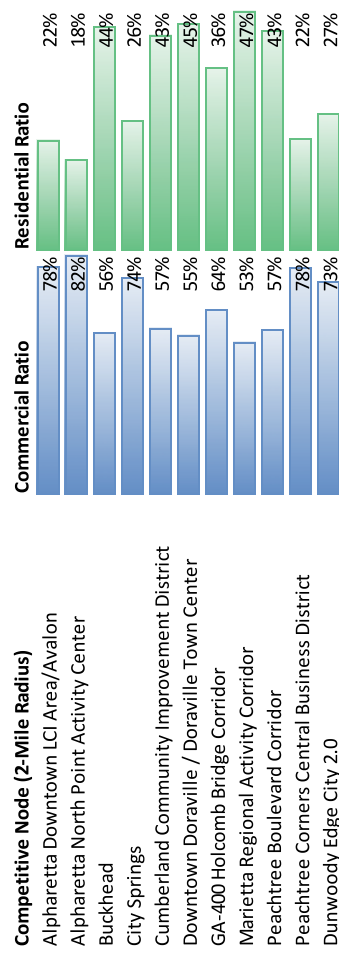
Competitive Review

Competitive Nodes Positioning Spectrum

The Positioning Spectrum reviews whether existing development in each competitive node is focused more towards multifamily residential or commercial and employment uses, including office, retail, and hotel. Single family residential is present in these nodes but is not catalogued.

The Alpharetta North Point Activity Center has the largest commercial and employment ratio, 82% of current development is non-residential. Buckhead, the Cumberland CID, and Peachtree Boulevard Corridor in Chamblee all have a balanced mix of residential and non-residential uses.

Table: Commercial to Residential Ratio



Competitive Review

Key Takeaways

- Dunwoody Edge City 2.0 has excellent demographic, economic, and real estate metrics when compared to other competitive nodes. It is most like Buckhead, Cumberland CID, and City Springs.
- There is a significant amount of infill and redevelopment occurring in communities in North Atlanta that must be factored when considering demand for certain uses.
- Certain jurisdictions such as Sandy Springs, Cumberland, and Alpharetta have already experienced catalytic development which has spurred major investment.
- Projects such as The Battery, Avalon, and Peachtree Corners Town Center have become destinations for shopping and entertainment. This has improved the perception of the areas and led to desirability for housing.
- There are very few competitive areas that have the uniqueness of Dunwoody; MARTA and interstate connectivity, a large base of existing employment, hotel, and shopping, all in a concentrated area. These contextual features allows Dunwoody to position itself to capture future development and further growth of Edge City 2.0.

4

Residential Market Analysis

Multifamily Market Analysis

Metro Atlanta Multifamily Overview

The Atlanta multifamily sector has continued to perform well, even with negative externalities of the pandemic. The market has posted record end-user demand, and this has translated into some of the highest year-over-year rent growth in the nation. 2021 experienced 18% rent growth which is also a record for the metro. Rent growth is expected to subside in 2022 due to less fiscal stimulus efforts and further increases of new supply coming down the pipeline, returning to a more balanced 3% to 5% per annum.

A vacancy rate of 5.7% is much lower than the 10-year average of 8.1%, which has played a factor in pushing rents higher. Vacancy is highest for Class A properties (6.3%) and is lowest for Class C properties (4.5%) demonstrating a desire for value in an increasingly expensive market. Studio apartments also have a higher vacancy rate than 2 and 3-bedroom units, likely an impact from the pandemic where renters are seeking more space for home offices.

Due to rising rents and lowered vacancy, developers have been breaking ground on projects around the metro at a record pace. There are currently 22,000 units under construction which is a decade-high, but likely will not keep up with demand. Atlanta is one of the top metros for domestic migration, along with Phoenix, Houston, and Dallas-Fort Worth due to a fast-growing economy, burgeoning tech sector, highly rated universities, and relatively low cost of living. Only 8,000 new units were delivered in 2021, while the metro requires approximately 11,000 to 14,000 annually to keep up with prospective demand.

Excellent metrics have made multifamily rental housing a top investment opportunity for developers from a valuation perspective. Cap rates stand at 4.7%, down from a high of 6.1% in 2016. Low cap rates have also offset increasing construction costs to allow developers to build new supply.

Development activity is clustered in the North Atlanta region. There are currently 86 multifamily projects under development as of Q1 2022, and all are north of I-20. There is significant clustering in higher income areas that have excellent highway and MARTA connectivity. Major submarkets moving forward that expect the most activity include Buckhead, West Midtown, and Eastside, however suburban districts in the north are expected to increase their market share.

Table: Multifamily Market Statistics

	Metro Atlanta	Submarket	Study Area
Total Inventory (Units)	467,900	33,500	5,300
New Inventory 2016 - 2021 (Units)	74,700	4,130	0
Net Deliveries 2021 (Units)	10,500	291	0
Vacancy Rate	5.7%	5.0%	10.9%
Average Renting Rate	\$1,574	\$1,724	\$1,903
Average Annual Absorption Rate 2016 - 2021 (Units)	12,000	854	(-22)
2021 Absorption (Units)	17,600	473	(-308)
Cap Rate	4.7%	4.4%	4.3%

Source: CoStar



Multifamily Market Analysis

Submarket Multifamily Overview

The study area is located in the Sandy Springs/Dunwoody submarket. The submarket contains 7% of the total metro supply of multifamily rental product, 33,480 units, but has strong metrics. Highway connectivity of I-285 and Hwy 19 coupled with the MARTA line makes the submarket a desirable area for housing.

The vacancy rate is currently at 5%, down from a high of 11% at the end of 2017. Vacancy is lowest in Class B and C properties; however, there is increasing demand for Class A properties in recent years due to certain target markets getting priced out of more expensive areas such as the Old Fourth Ward, Midtown, and Buckhead. The submarket is also becoming more attractive as both Sandy Springs and Dunwoody redevelop their urban cores with more restaurants, entertainment, and amenities. Furthermore, large corporations such as Mercedes-Benz and State Farm have opened major campuses in recent years along the Perimeter, generating employment activity and job growth.

Increased demand and lowered vacancy rates have led to significant rent growth, much like the rest of Metro Atlanta. Year-over-year growth in 2021 was 23.1%, higher than the metro average, and near the top of any submarket. Average apartment rent in Sandy Springs/Dunwoody is \$1,720 per month, much higher than the \$1,390 per month at the beginning of 2020. Rent per square foot is now at \$1.65 compared to \$1.35 at the beginning of 2020.

Figure: Multifamily Absorption, Net Deliveries & Vacancy

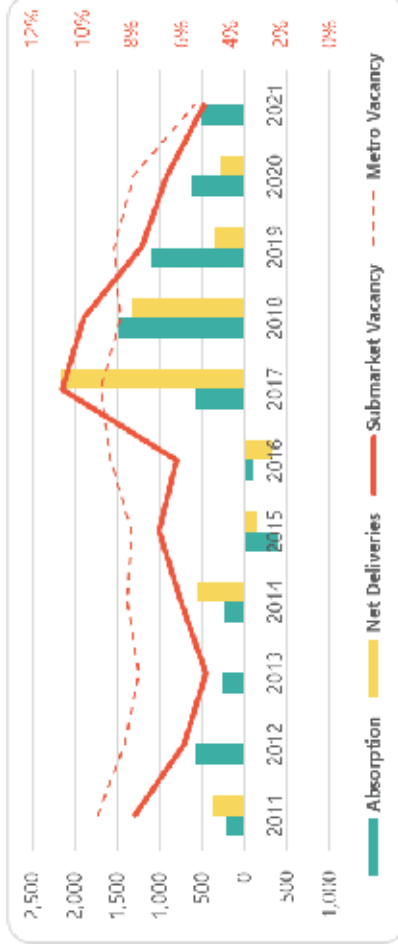
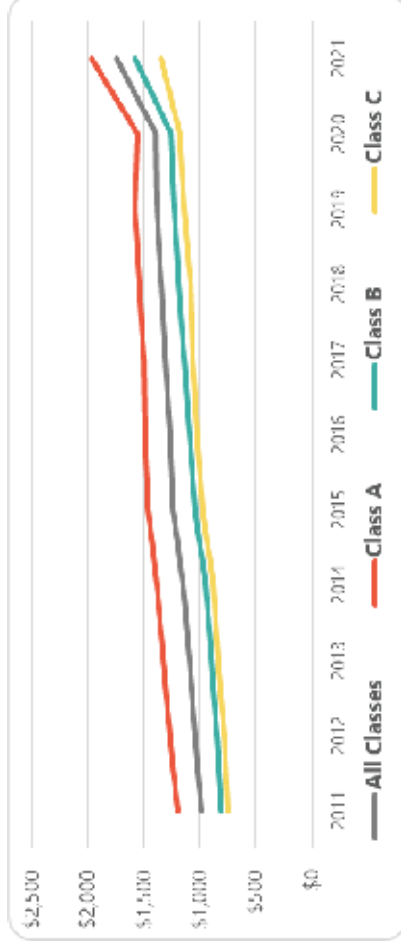


Figure: Multifamily Rental Rate Trends



Multifamily Market Analysis

Recent deliveries built in the past five years are commanding much higher rents, with some properties nearing \$2.50/per SF depending on location, fit-out, and amenities. Rents are now inline with neighboring submarkets in North Atlanta but are still viewed as bargains compared to Midtown and Buckhead, both of which cost approximately 30% more on average.

Construction of multifamily has been limited over the past decade, especially in Dunwoody. It had been previously difficult for developers in both Sandy Springs and Dunwoody to get permits for apartment rental projects; however, both cities have changed their respective zoning rules and codes to allow for increases in density in specific areas of the cities, mainly along Roswell Road in City Springs and near the Dunwoody MARTA station. Developers are targeting underutilized office and retail properties for low-rise and mixed-use rental product.

The submarket averages approximately 400 new units per year, although only 290 units were delivered to the market in 2020 and 2021 combined. It is expected that there will be between 1,200 and 1,500 new units completed over the next two years, providing much needed Class A supply to the market.

Continued planning of City Springs and Dunwoody Edge City 2.0, along with strong economic and demographic drivers will drive investment and development into this submarket. It is viewed as one of the top submarkets in the metro and has excellent potential moving forward for further multifamily development.



The Alastair at Aria Village

Multifamily Market Analysis

Multifamily in Edge City 2.0

There is approximately 5,300 multifamily residential units in the study area as of January 2022. Much of this inventory was built prior to the city's incorporation in 2008; however, all multifamily rental product is categorized as either Class A or B properties and no older than 30 years old.

Rental properties are clustered east of Ashford Dunwoody Road and include major projects such as The Bricks at Perimeter, Notting Hill, Arrive Perimeter, The Drexel Collective, and Marq Perimeter. Many of these apartment complexes are quite large, with upwards of 600 to 700 units per development. Most properties are single-use aside from The Flats at Perimeter Place which is located adjacent to Ashford Lane. This project, built in 2006, incorporates 64,000 SF of retail, services, and food & beverage on the ground floor with angled street parking. While this type of mixed-use development has not been typical in the study area, it has demonstrated the viability of low-rise mixed-use in Edge City 2.0.

Vacancy has typically averaged 5% to 6% over the past decade; however, there has been a significant increase in vacancy over the past year, with the study area now holding a 10.9% vacancy rate as of Q1 2022. This is much higher than the 5% vacancy rate of the submarket (5%) and metro average (5.7%). One factor in the increased vacancy rate may be the substantial rent growth throughout 2021. The study area experienced nearly 30% growth in average market rent year-over-year in 2021, with the asking rate per unit moving from \$1,479 to \$1,903. The submarket and metro saw rent growth of 23% and 18%, respectively, during the same time period.



The Bricks at Perimeter



Multifamily Market Analysis

This increased rent growth may have forced people who are cost sensitive to seek out housing in nearby municipalities that did not experience such rapid increases in rent. Regardless, rents are still much more affordable than areas closer to Downtown Atlanta such as Midtown and Buckhead. Marq Eight, built in 2009 and one of the newer apartment complexes has asking rents of approximately \$2.00/per SF and averages 934 SF per unit. It features amenities such as a club room, gym, BBQ area, and outdoor pool. While rent growth is expected to slow down in 2022, it may not come down to the annual average until 2023 or 2024. Vacancy is expected to decrease back to normal levels as rent growth stabilizes.

Market cap rates of 4.3% have demonstrated exceptional value for investors looking to purchase existing product, as well as build new multifamily rental. Housing in this area is viewed as a strong investment opportunity, especially with the excellent highway connectivity, MARTA access, desirable school district, and ample shopping.

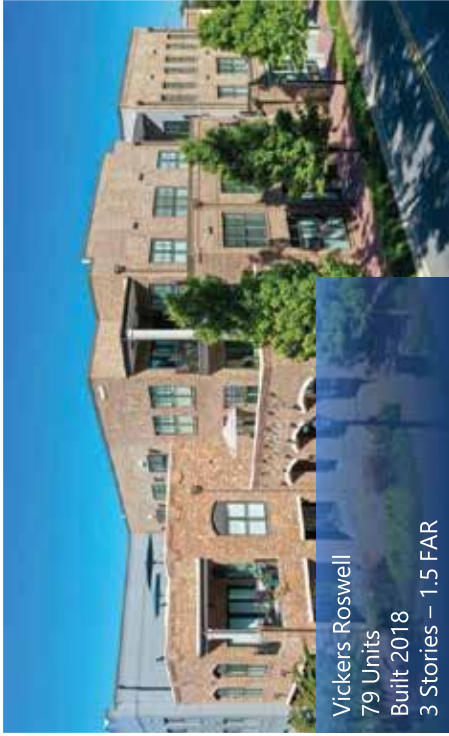
There has been no rental or for-sale multifamily product constructed in the study area over the past decade. The recent groundbreaking of Phase 1 of High Street changes that, with 598 mixed-use apartments under construction. High Street is expected to include 3,000 multifamily units at build-out, with 50% being for-sale product. The Park at Perimeter Center East redevelopment project could potentially add another 1,000+ units depending on final plans. These two projects, along with other smaller developments will introduce a modern mix of both rental and for-sale product to the study area.

Marq Eight



Multifamily Market Analysis

Examples of Multifamily Rental Typologies



Multifamily Market Analysis

For-Sale Multifamily Product

The metro Atlanta residential market continues to set records for housing prices with an extremely low available inventory. Single family, condo, and townhomes are all selling very well and there is considerable growth expected in the coming years.

Atlanta is one of the top millennial cities in the nation and this has translated into a healthy for-sale multifamily sector. Properties along the BeltLine and in neighborhoods such as Inman Park, the 4th Ward, Buckhead, and Midtown are all very desirable for condos and townhomes, with Buckhead and Midtown targeting very high-end buyers. As buyers become priced out of these areas, they are looking to other cities south of the I-285 such as Brookhaven and Chamblee. Desirable areas for condo and townhome buyers must be millennial friendly and urban in built-form, providing a similar lifestyle to popular areas in Atlanta.

The I-285 has historically been a psychological border for many millennials who are looking to purchase a condo or townhome, and thus most product has continually been built in nodes closer to Downtown Atlanta. The idea of “Living Inside the Perimeter” is slowly starting to change as prices increase significantly faster than salaries. Active adult and young professionals who cannot afford Midtown or BeltLine neighborhoods, along with young families who cannot afford single-family homes along the Perimeter are becoming targets for condo and townhome product along Perimeter cities such as Sandy Springs, Dunwoody, Cumberland, Brookhaven, Chamblee, and Doraville.



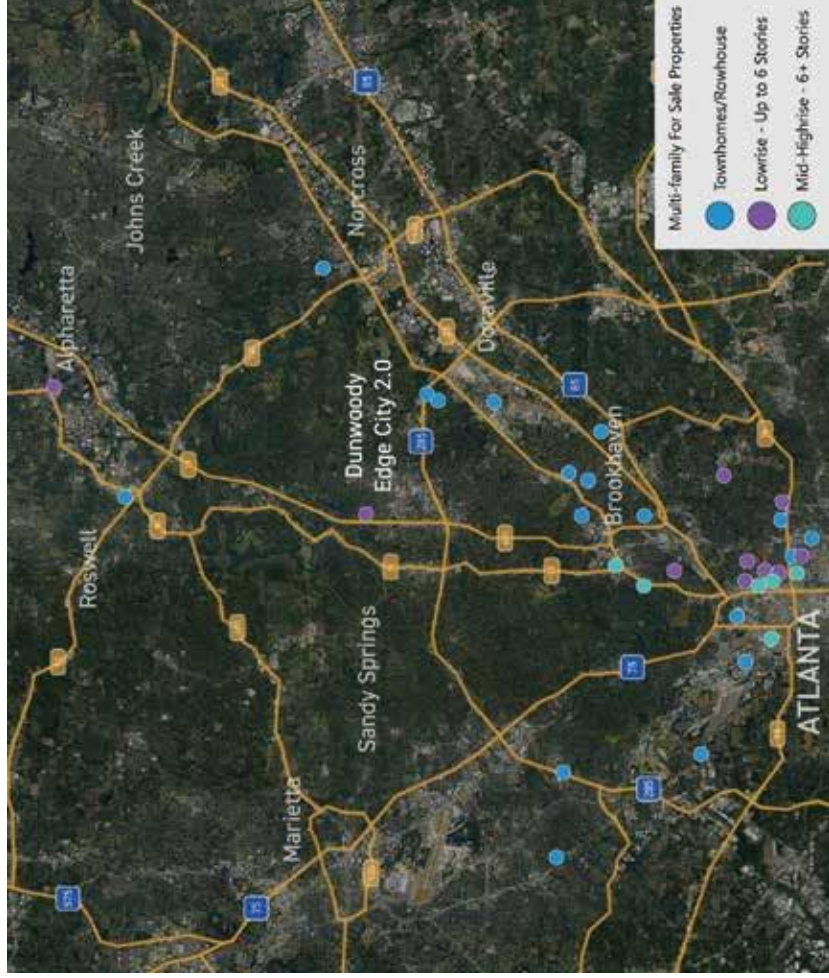
Multifamily Market Analysis

The average price for condos and townhomes across the metro as of January 2022 was \$306/per SF. This is up from \$225/per SF in January 2019, a dramatic increase over the past three years according to rate.com. This will further push rents up in desirable communities. Due to increasing purchase prices in the metro, many buyers are even finding themselves priced out of the market entirely. Millennials who prefer to live in more amenity-rich neighborhoods along the BeltLine but cannot afford property are choosing to rent rather than buy.

Figure "Example *Multifamily For Sale Typologies*" provides an example of the spatial distribution of development typologies of for-sale multifamily in North Atlanta. Townhome/rowhome and low-rise product continues to be more popular north of Buckhead. Midtown and Buckhead are areas of concentration for midrise and high-rise product, with many condo towers between six and twenty story's high. The Dunhill is an example of new low-rise condo product in Sandy Springs, a 19-unit building with larger-size condos priced at the mid \$400,000 range, or approximately \$330/per square foot for a 1,350 SF condo.

Based on what is planned and under construction for condo and townhome product in the Sandy Springs and Dunwoody submarket, it is expected that larger square footage low-rise, stacked townhome, townhome, and rowhome product will continue to be the desired product type.

Figure: Example Multifamily For Sale Typologies

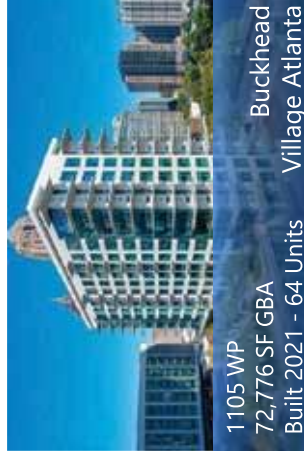


Multifamily Market Analysis

Examples of Low-rise Condos



Examples of Midrise and Highrise Condos



Examples of Townhomes/Rowhomes



Multifamily Market Analysis

Submarket Residual Demand

The Sandy Springs/Dunwoody multifamily submarket was analyzed to estimate the demand for additional multifamily units in the area over the next 20 years, based on supply and demand patterns, rental rates, occupancy rates, new construction, cap rates and other key metrics.

Demand for multifamily units has been very strong in recent years both in the Sandy Springs/Dunwoody submarket as well as the wider Atlanta Metro. Net deliveries have failed to keep pace with absorption over the past five years, resulting in very low vacancy rates and increased rental rates.

Based on this analysis, over the next decade, the entire submarket is forecast to support an additional 5,878 rental units, growing to 10,438 rental units by 2041. An additional 2,063 for-sale higher-density residential units are also forecast for demand bringing the total 20-year demand to 12,501 units. It is important to note this represents market-driven demand which may not be met with commensurate supply if such growth is not supported by the local communities within the submarket.

Employing a capture rate for the study area, it is projected that there is market demand for 3,750 to 8,750 residential rental and for-sale units.

Multifamily Market Analysis

Table: Multifamily Submarket Performance Indicators

Multifamily Performance Metrics	Historic Performance (2011)				Current Performance				Avg. Annual Change in New Development Value
	Market Asking Rent Per Unit/Month	Vacancy Rate	Cap Rate	New Development Value per Unit	Market Asking Rent Per Unit/Month	Vacancy Rate	Cap Rate	New Development Value per Unit	
Sandy Springs/Dunwoody	\$967	6.6%	6.4%		\$1,806	4.8%	4.6%		
Class A	\$1,200	7.8%	5.7%	\$150,355	\$1,966	6.3%	4.4%	\$328,567	8.1%
Class B	\$849	6.1%	6.6%	\$93,894	\$1,708	3.7%	4.8%	\$269,288	11.1%
Class C	\$753	5.1%	7.3%	\$76,743	\$1,349	2.5%	5.1%	\$200,853	10.1%

Table: Multifamily Submarket Residual Demand Projection

Multifamily Submarket Residual Demand	Historic Supply (2011)				Current Supply (2021)				Residual Demand					
	Inventory (Units)	Vacancy Rate	Vacant Units	Occupied Units	Inventory (Units)	Vacancy Rate	Vacant Units	Occupied Units	Current Residual Demand Units	Under Construction Units	10-Year Avg. Annual Net Absorption (Units/Yr)	2021 Residual Demand (Cumulative)	2022 Residual Demand (Cumulative)	2041 Residual Demand (Cumulative)
Sandy Springs/Dunwoody	29,221	6.6%	1,943	27,278	33,459	4.9%	1,627	31,832	1,318	-	456	1,774	1,774	10,438
Class A	10,546	7.8%	823	9,723	15,543	6.3%	978	14,565	390	-	484	874	874	10,070
Class B	16,453	6.1%	1,007	15,446	16,127	3.7%	605	15,522	815	-	8	823	823	975
Class C	2,222	5.1%	113	2,109	1,789	2.5%	44	1,745	113	-	-36	77	77	-607



Multifamily Market Analysis

Future Population Growth

A second multifamily demand method was employed to add validity to the market analysis. This method is based on demand for multifamily units in the area over a 20-year period based on potential future population growth in the City of Dunwoody. The city had a 1.1% annual growth rate between 2010 and 202 according to Census data, lower than many other growing suburban municipalities in North Atlanta.

20-year growth projections for Dunwoody were conducted using a business-as-usual growth rate of 1.1%, as well as population growth rates for a 2-mile radius of the study area (2%), and the nearby City Springs growth rate (3%) to offer different scenarios. This analysis produced the number of new housing units required in the city to grow at each rate. A capture rate was used as not all new housing units would be expected to be built in the Edge City 2.0 district.

A blended average with the Submarket Residual Demand model demonstrates market demand for 6,040 to 9,330 residential rental and for-sale units over the next twenty years. It should be noted that High Street has been permitted and approved for 3,000 units in a phased timeline, taking up a large portion of future demand.

Table: Multifamily Population Growth Demand Scenarios

Dunwoody Future Population Scenarios			
Scenario	Growth Rate	2040 Population	Persons Per Household
Dunwoody Business as Usual	1.1%	64,491	2.41
2-Mile Radius Growth Rate	2.0%	76,798	1.95
City Springs 2-Mile Radius Growth Rate	3.0%	93,345	2.04

Edge City 2.0 Future New Housing Units Required				
Scenario	Number of New Units in Dunwoody	Edge City 2.0 Capture Rate		
		Low 50%	Moderate 60%	High 70%
Dunwoody Business as Usual	6,568	3,284	3,941	4,598
2-Mile Radius Growth Rate	12,880	6,440	7,728	9,016
City Springs 2-Mile Radius Growth Rate	21,365	10,683	12,819	14,956
Market Model Demand Forecast		3,750	6,251	8,751
Blended Average Total		6,039	7,685	9,330



Office Market Analysis



Office Market Analysis

Metro Atlanta Office Overview

Atlanta's office market is currently in a downturn, challenged by speculative construction availability, sublet leasing availability, large move-outs of businesses reassessing work models, and weak rent growth. There was considerable fluctuation in absorption in 2021, with the Metro facing the lowest negative net absorption in the past 5 years at the start of 2021, bouncing back to positive by mid-year, and then declining again into 2022. Absorption is currently driven by the Tech and IT industry and future growth will be dependent on firms looking to expand.

As larger companies look to reduce physical office footprints, the amount of available space continues to increase. The overall vacancy rate reached 14% in Q4 2021 with Class A reaching 18%-20%. This is higher than the historical average. Sublet availability has become more prominent, with businesses such as IHG listing more than 200,000 SF of space in early 2021 and Global Payments placing approximately 170,000 SF for sublet in Q2 2021 in Central Perimeter. In contrast, the Tech and IT industry is driving absorption and contributing to stabilization of the office sector with major relocations such as Microsoft leasing 523,000 SF in Midtown in 2020, Mailchimp adding to a total of 300,000 SF, and FinTech Firm Deluxe signing for 170,000 SF near Central Perimeter.

Rent has seen freezes in the Atlanta area due to steady supply, increases in sublet availability and overall rent growth cooling due to the pandemic. Rent growth for Class A office was declining year-to-year since the start of 2020 but is now back to positive growth into 2022. Tenants will see pricing in their favor if the leasing environment remains slow and supply increases in the market.

Office construction has slowed, with 4.8 million SF under construction at the end of 2021 versus 8 million SF at the start of 2021. 70% of space in the pipeline is unleased adding large speculative supply for the market. Examples of large speculative projects include Echo Street West (300,000 SF) and Westside Paper (530,000 SF) near Midtown Atlanta, and Offices at Northlake Mall (530,000 SF) in Northlake Dekalb County.

Table: Office Market Statistics

	Metro Atlanta	Submarket	Study Area
Total Inventory (SF)	332M	36.9M	8.6M
New Inventory 2016 - 2021 (SF)	19.9M	2.7M	2M
Average Deliveries 2021 (SF)	4.1M	417K	417K
Vacancy Rate	14%	19.5%	23.0%
Average Lease Rate	\$27.21	\$30.03	\$31.45
Average Annual Absorption Rate 2016 - 2021 (SF)	793K	104K	88K
2021 Absorption (SF)	234K	148K	278K
Cap Rate	7.2%	6.9%	6.9%

Source: CoStar

Office Market Analysis

Submarket Office Overview

The Central Perimeter Submarket has experienced slowed recovery over the past two years due to vacancy rate rises and large sublet leasing availability. Rent growth has improved but remains below year-to-year average growth rates going into 2022. Despite these trends, the submarket remains an attractive area that has attracted major office users in recent years.

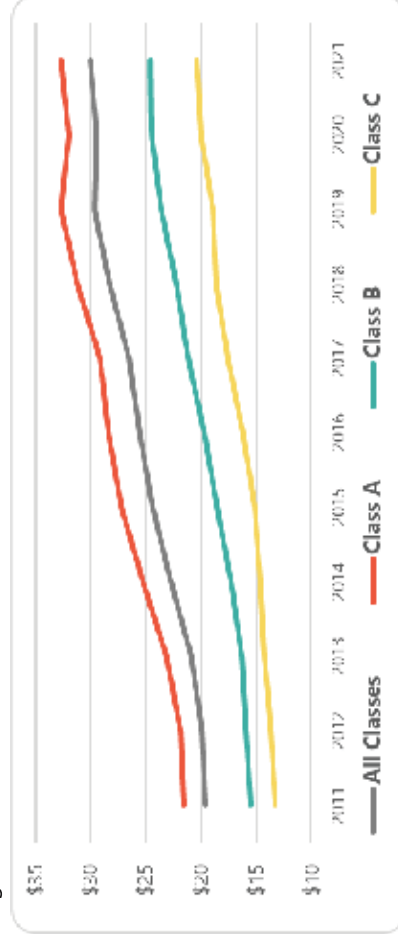
Leasing challenges in the Central Perimeter saw vacancy rates reach a high of 20.4% in Q1 2021 and remained above 20% throughout the year. The current 19.5% vacancy rate is higher than the 14% natural vacancy rate that the submarket typically experiences. This was spurred in part by backfill space and large sublet availability (2.8%), which is higher than the Metro Atlanta average of 1.6%. Large sublet leases include recent examples such as IHG subletting out more than 200,000 SF of space at Three Ravinia in Q1 2021, filled by both Schindler Elevators (52,000 SF) in Q3 2021 and German shipping company Hapag-Lloyd (125,000 SF) in Q4 2021.

Current trends have shifted towards transit-oriented development at Central Perimeter with both State Farm's new campus and Insight Global's new office adjacent to the Dunwoody MARTA station. Annual net absorption was negative in 2021 with -246,000 SF of space and reached its lowest in the past 5 years in Q1 2021 (~570,00 SF). This is compared to peak absorption at the onset of the pandemic in Q1 2020 (~620,000 SF).

Figure: Office Absorption, Net Deliveries & Vacancy



Figure: Office Rental Rate Trends



Office Market Analysis

Rent has experienced positive year-over-year growth of 2.0% but is challenged by increases in backfill space and sublet availability. Central Perimeter has some of the highest rents of suburban submarkets due to its prime location in the Metro and strong highway and MARTA connectivity; however, they are discounted against Midtown (30%) and Buckhead submarkets (20%). This is not surprising as both Midtown and Buckhead are viewed as trendier and more amenity rich locations. Lower rental rates and access to high-end, well-located and transit-accessible space gives the Central Perimeter a competitive advantage over other submarkets.

Adjusting to the pandemic and shifting work patterns, construction in Central Perimeter is low and speculative office supply is rare with the only major speculative project being the 360,000 SF 4004 Perimeter Summit project in 2018. Other projects required pre-leases of major tenants prior to construction. This is likely to continue in the next several years due to uncertainty in the market. The Perimeter Center area saw 1.4 million SF of office space delivered in both 2020 and 2021. Future proposals total more than 3 million SF spread out amongst a variety of developments in the submarket including 700 Northpark (483,656 SF) and the GID Development Group High Street project in Dunwoody that is expected to add more than one million SF of office space through a phased timeline.



Glenridge Highlands One

Glenridge Highlands One is a typical format of the office submarket, being built in the 1990's and recently renovated. Both lease and sublease space is available for mid-sized tenants.

Office Market Analysis

Office in Edge City 2.0

There is approximately 8.6 million SF of office inventory in the study area as of January 2022. Most office product was built pre-millennium, with 6.2 million SF constructed prior to 2000. This inventory is characterized by both low-rise campus style office and high-rise towers. Ravinia Drive (consisting of One, Two and Three Ravinia) are iconic corporate buildings that were built in the 1980's and early 1990's and solidified Dunwoody as an employment destination. Other mid-rise and high-rise offices built in the 1980's and 1990's include The Terraces (north and south) and Crown Pointe. Many of these buildings have undergone extensive renovations in recent years to bring them up to modern standards and make them competitive in the North Atlanta office market.

Older campus style offices such as The Park at Perimeter Center East are five and six-story buildings constructed in the 1970's that feature ample surface parking in a tree-like setting. 219 and 223 Perimeter Center are two other campus style offices built in the 1970's that are slated for future demolition to make room for the High Street development by GID.

After a period of limited office construction coming out of the Global Financial Crisis, there have been several major office developments in recent years. The State Farm campus, built directly south of the Dunwoody MARTA station features nearly 1.7 million SF of office space in three distinct towers. The first 585,000 SF tower was erected in 2016, while Phase 2 and 3 were completed in 2020 and 2021 respectively.



South Terraces



Office Market Analysis

Additionally, the Twelve24 office tower was completed in 2020 and is adjacent to the Dunwoody MARTA station. The multi-tenant transit-oriented tower offers 345,000 SF of leasable space over 16-levels along with ground floor retail and restaurants. A special feature of the tower is a skybridge that connects employees directly to MARTA. A Hyatt Place hotel was also built adjacent to the office at the same time.

Aside from the State Farm campus, most office buildings are multi-tenant and feature covered and deck parking. Although deck parking is expensive to build, the foresight of developers is advantageous for Edge City 2.0, as sites are significantly denser than employing surface parking. Both The Park at Perimeter Center East and Perimeter Center will be going through infill and redevelopment to densify and provide new uses on the surface parking lots.

Metrics for the study area can be viewed from two different perspectives. On one side, average lease rates (\$31.45 per SF) are higher than both the submarket and Metro Average, new construction has been strong in recent years, annual absorption over the past five years has been positive and performed better than the rest of the submarket, and cap rates are below 7% in a pandemic environment.

On the other side, vacancy rates have topped 23% as of Q1 2022, significantly higher than the 10-year average of 17.5%. Regardless, there continues to be interest in the area from a variety of end-user tenants and there has been notable sub-leasing activity over the past two years.

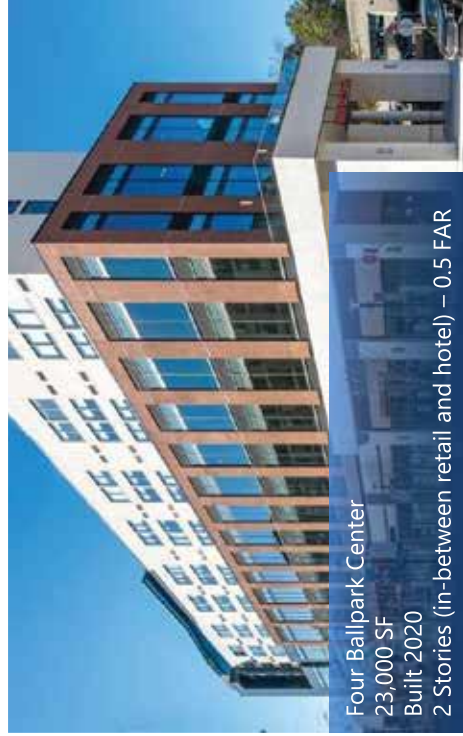
Planned mixed-use developments such as High Street will continue to add new office inventory into the study area, offering a new and exciting typology to the market. This will be positive for the build-out of Edge City 2.0 but will also challenge existing office space that is vacant in older Class-A buildings.

Twelve24



Office Market Analysis

Examples of Office Typologies



Office Market Analysis

Submarket Residual Demand

The Central Perimeter office submarket was analyzed to estimate the demand for additional office space in the area over the next 20 years, based on supply and demand patterns, rental rates, new construction, cap rates and other key metrics.

Total inventory has grown by 2.8 million SF over the past decade, despite vacancy rates ranging from 12% to 20%. This vacancy rate has closely tracked the Metro Atlanta average. The ongoing supply expansions suggests that the natural vacancy rate for office (the point above which rental rates no longer increase) is higher than in most other U.S. office markets. Rental rates increased at a steady pace from 2011 to 2019, however the pandemic did cause a plateau in rental rates over the past several years, as common to nearly all office markets.

Based on this analysis, over the next decade, the entire submarket is forecast to support an additional 564,000 SF of new office space over the next decade, and 3.7 million SF over the next 20 years. Broader macro trends in the office sector (most notably the accelerated shift to remote working) may slow overall demand, however.

Expected capture rate of the submarket is strong as the study area is already a well-known office employment node with recent builds. **The demand model demonstrates market demand for 1.1 million to 2.57 million SF of office over the next twenty years.** This is contingent on the study area reducing its vacancy rate and increasing its amenity mix to attract future tenants.

Office Market Analysis

Table: Office Submarket Performance Metrics

Office Performance Metrics	Historic Performance (2011)				Current Performance				Avg. Annual Change in New Development Capital Value per SF		
	Market Asking Rent	Vacancy Rate	Cap Rate	New Development Capital Value per SF	Existing Inventory Sale Price per SF	Market Asking Rent	Vacancy Rate	Cap Rate		New Development Capital Value per SF	Existing Inventory Sale Price per SF
Central Perimeter Class A	\$19.36	21.9%	7.7%	\$200.33	\$146.94	\$29.85	19.3%	6.7%	\$357.64	\$236.59	6.0%
Class B	\$21.59	20.9%	7.3%	\$233.47	\$165.23	\$32.72	21.2%	6.5%	\$398.57	\$261.48	5.5%
Class C	\$15.58	26.3%	8.2%	\$139.81	\$112.36	\$24.58	17.8%	7.0%	\$287.97	\$180.23	7.5%
	\$13.34	16.7%	9.1%	\$122.41	\$107.01	\$20.38	7.4%	7.6%	\$248.10	\$188.26	7.3%

Table: Office Submarket Residual Demand Projection

Office Submarket Residual Demand	Historic Supply (2011)				Current Supply (2021)				Residual Demand					
	Inventory (SF)	Vacancy Rate	Vacant SF	Occupied SF	Inventory (SF)	Vacancy Rate	Vacant SF	Occupied SF	Current Residual Demand SF	Under Construction SF	10-Year Avg. Annual Net Absorption (SF/Yr)	2022 Residual Demand SF	2031 Residual Demand SF (Cumulative)	2041 Residual Demand SF (Cumulative)
Central Perimeter Class A	34,363,591	22.0%	7,545,159	26,818,432	37,164,703	19.5%	7,235,981	29,928,722	-1,930,642	616,000	311,029	-2,235,613	563,648	3,673,938
Class B	22,502,773	20.9%	4,710,631	17,792,142	26,046,000	21.2%	5,509,827	20,536,173	-1,498,743	600,000	274,403	-1,824,340	645,288	3,389,319
Class C	8,870,155	26.3%	2,335,814	6,534,341	8,685,899	17.8%	1,546,093	7,139,806	-434,298	16,000	60,547	-389,751	155,167	760,632
	2,990,663	16.7%	498,714	2,491,949	2,432,804	7.4%	180,061	2,252,743	2,399		-23,921	-21,521	-236,807	-476,013



Retail Market Analysis



Retail Market Analysis

Metro Atlanta Retail Overview

The Atlanta retail market stands strong as indicators in leasing activity, net absorption, vacancy rate and rent growth have positively improved since the beginning of the pandemic. Sustained economic growth will bolster the market in certain categories as retail trends continue to shift the market with growth of e-commerce, older enclosed malls experiencing decline, and areas of below-average demographic profiles closing stores.

Since the latter half of 2020, net absorption was growing each quarter with a positive peak in Q4 2021 (1.6 million SF) after two consecutive negative quarters. Annual net absorption in 2021 (4.3 million SF) heavily contrasted 2020 (-256,728 SF). Despite big-box store closures, including multiple JCPenney and Macy's locations, and several bankruptcies, the Metro vacancy rate has decreased since Q2 2020. Vacancy reached 4.5% by the end of 2021, the lowest in a decade and lower than the U.S. average of 4.6%.

Demand for new retail is expected to be concentrated in the metro's northern suburbs that feature higher incomes and spending patterns. Neighborhoods inside the Perimeter such as Midtown, West Midtown and the Eastside will profit from densification and gentrification with influxes of demographics that have higher paying jobs.

Landlords have leverage with rising lease rates due to positive demand and little large-scale speculative supply. Average market rent rose to \$19.34 in Q4 2021, up from \$17.92 in Q2 2020. Similarly, year-to-year rent growth rose to 6.9% by Q4 2021.

This is compared to 2.9% in Q2 2020, its lowest point in the last 4 years. Of note, strong demographic trends, and limited supply in Buckhead/Lenox and Sandy Springs/North Central were the top rent growth sectors before the pandemic. Since then, exurban and south metro submarkets have outperformed due to little supply and consistent vacancy rates.

Construction has slowed across the Metro in recent years. 0.6% of the market's inventory is under construction, like the national average of 0.4% in 2021. This is likely due to the changing nature of retail and recent investment uncertainty in the market for large-scale projects. Net deliveries were low in the past five years with Q3 2021 hitting a five-year low of 200,000 SF in comparison to a high of 900,000 SF in Q2 2017. 18 million SF of net inventory was added since 2010, lower compared to the boom years of the 2000's which added more than 90 million SF. Redevelopment saw older, well-located retail centers redeveloped into other uses including mixed-use and multifamily.

Table: Retail Market Statistics

	Metro Atlanta	Submarket	Study Area
Total Inventory (SF)	365M	10.5M	3.4M
New Inventory 2016 - 2021 (SF)	14M	204K	93.1K
Net Deliveries 2021 (SF)	1.1M	1,400	0
Vacancy Rate	4.4%	6.0%	3.4%
Average Lease Rate	\$19.40	\$27.11	\$30.61
Average Annual Absorption Rate 2016 - 2021 (SF)	2.5M	7,500	17K
2021 Absorption (SF)	4.3M	29.8K	10K
Cap Rate	7.1%	6.9%	7.1%



Retail Market Analysis

Submarket Retail Overview

As one of the premier suburban submarkets in Atlanta, Sandy Springs/North Central continues to maintain one of the highest averages asking retail rents in the metro for suburban submarkets. Benefitting from the area's prime location and high median income, developers are looking for future redevelopment at under-utilized sites to add retail space in mixed-use projects.

There has not been significant tenant movement in the submarket. Net absorption held steady in 2021 with annual absorption staying positive at 30,000 SF, below the historical average of 67,607 SF. Absorption has been low in recent years due to limited expansion of national store retailers. Leasing has been concentrated in smaller service-oriented centers or restaurant space. Most leases in 2019 were smaller than 10,000 SF in size. Recent large-scale leases come from German grocer Lidl signing for 28,000 SF at City Center Crossing in 2019 and 33,000 SF at Mount Vernon Shopping Center in early 2020, both backfilling vacated spaces.

There were no major completed constructions in 2021, which have allowed rent to favor landlords due to the lack of desirable space in the submarket. Rent growth improved to 6% year-over-year in Q4 2021, compared to a low of 1% in Q1 2021 at the onset of the pandemic.

The submarket is adding new inventory in the next two years with multiple developments under construction. There is currently 218,547 SF expected to deliver and 225,485 SF proposed in the pipeline for the submarket, with most product concentrated in the Dunwoody Central Perimeter Area. There has only been 70,000 SF of completions in the past several years, constraining desirable space.

New supply in the pipeline includes GID Investment's High Street project, approved in 2021, which will add an expected 150,000 SF of retail in the first phase of development. As developers continue to target older retail centers for mixed-use projects, demolitions are more common in the submarket. In Sandy Springs, the City Springs area has demolished close to 150,000 SF of retail for redevelopment. New supply in Dunwoody and Sandy Springs will be beneficial for tenant attraction and will fetch strong rents moving forward due to pent up demand and major redevelopment efforts in both cities.



Retail Market Analysis

Figure: Retail Absorption, Net Deliveries & Vacancy

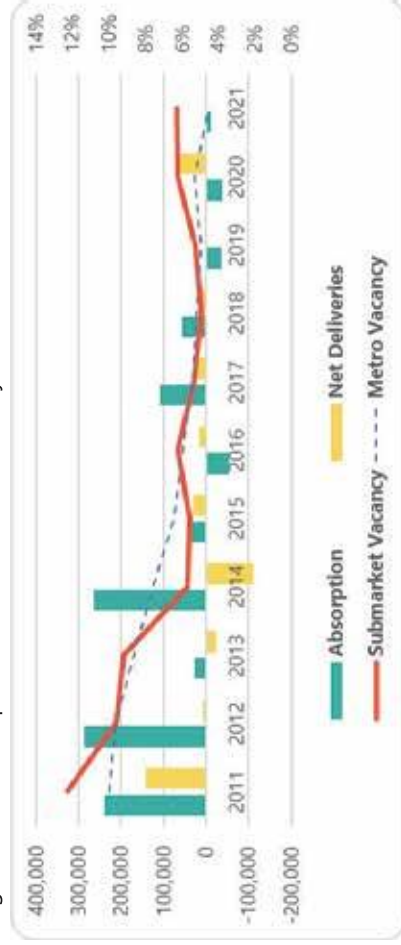
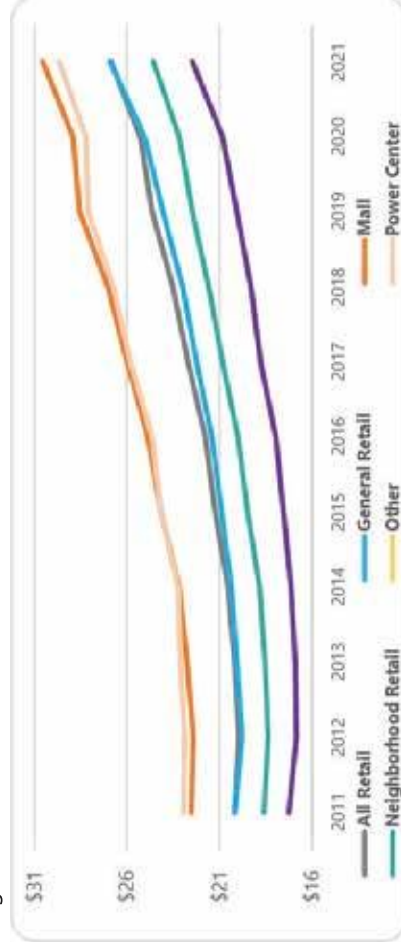


Figure: Retail Rental Rate Trends



Shops of Dunwoody

Retail Market Analysis

Retail in Edge City 2.0

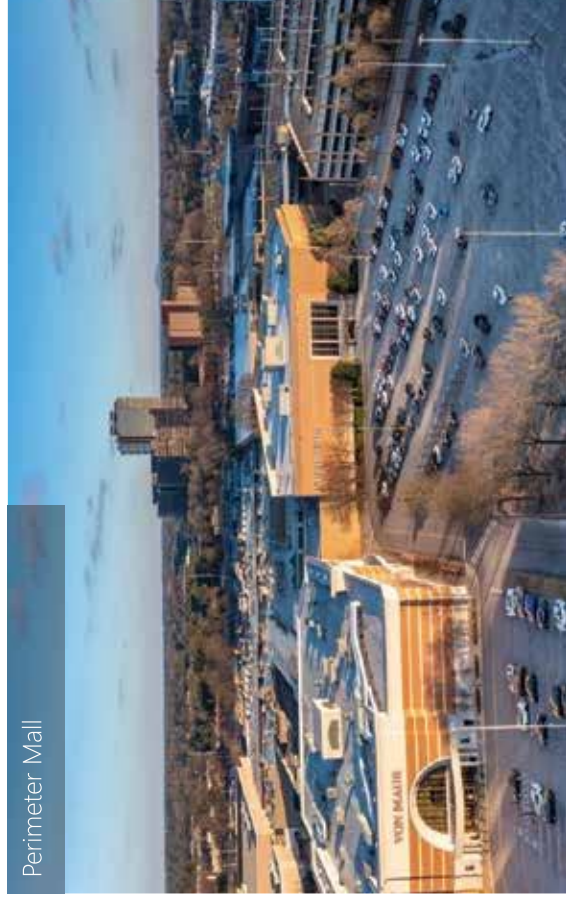
There is approximately 3.4 million SF of retail inventory in the study area as of January 2022. 1.56 million SF, or nearly half of inventory is within the Perimeter Mall that acts as the primary shopping anchor for the study area. The Perimeter Mall was constructed in 1971 and is adjacent to the Dunwoody MARTA station. Former mall owners General Growth Properties renovated the mall in 2016, prior to the acquisition of the mall property by current owners Brookfield Properties. Approximately 900,000 SF, or 25% of inventory has been built post millennium. This includes Ashford Lane (formerly known as Perimeter Place) and the Dillard's expansion to Perimeter Mall. Recent retail developments have been smaller pad outparcels and freestanding retail for banks and restaurants.

Most retail is suburban-style formats including power centers, big box, strip retail, and freestanding sites. Ashford Lane deviated from these formats to create a main street concept. The retail project is currently being re-positioned further into a walkable, mixed-use center including an anchor food hall.

Recent retail developments include podium retail at the State Farm campus, and the 82,000 SF Perimeter Marketplace anchored by a Publix Supermarket. The most significant upcoming retail development is the High Street project being built along Perimeter Center Parkway, directly west of the Perimeter Mall. The development will have 400,000 SF of retail at full build-out and offer a mixed-use lifestyle format that is not currently present in Dunwoody. Casual restaurants, fine dining, new shops, and entertainment will begin to shift the perception of the Dunwoody retail market in the region.



Perimeter Mall



Retail Market Analysis

The study area has experienced strong performance metrics in recent years even with externalities such as the pandemic, shifting retail patterns, and increased spending to e-commerce platforms. Vacancy sits at 3.4% as of Q1 2022, lower than the 10-year average of 4.7%. Market rents are at \$30.61, higher than the submarket average of \$27.11. Rental rates are expected to continue to increase over the next several years with annual rent growth projected to hit 5.6% in 2022.

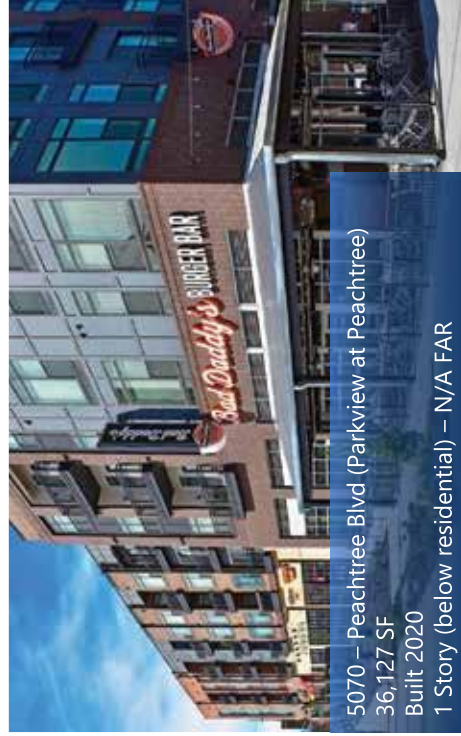
A low vacancy rate, excellent highway connectivity, and strong demographics in the immediate area are positive factors for the investment community. Market sales prices for retail properties hit \$231/per SF in December 2021, a ten-year high. With further redevelopment in the study area including new residential product, it is expected that retail value will also increase.

A strong retail base, the emergence of projects such as High Street and Ashford Lane, along with future potential redevelopment at the Perimeter Mall are expected to keep Edge City 2.0 as a destination retail hub for the North Atlanta area.

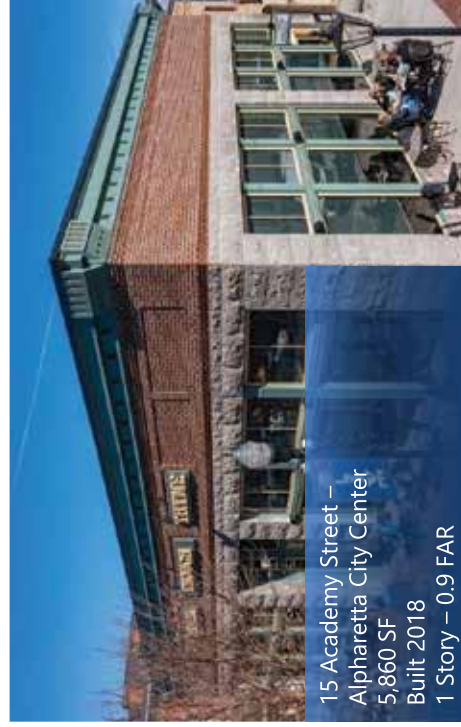
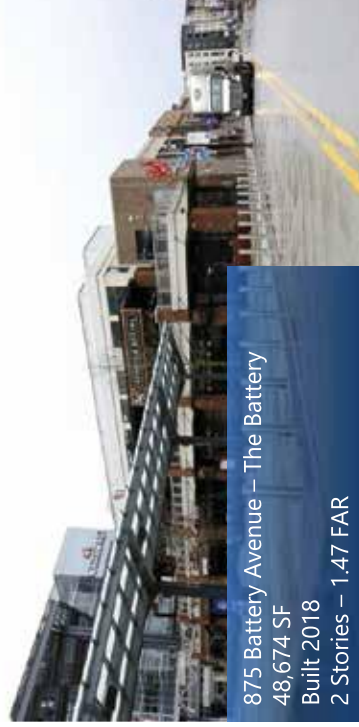


Retail Market Analysis

Examples of Retail Typologies



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Retail Market Analysis

Submarket Residual Demand

The Sandy Springs/North Central retail submarket was analyzed to estimate the demand for additional retail space in the area over the next 20 years, based on supply and demand patterns, rental rates, new construction, cap rates and other key metrics.

While overall retail inventory has not grown significantly over the past decade, total occupied space has grown by over 640,000 SF during this time. Accordingly, vacancy rates have declined from 12.3% in 2011 to 6.3% currently. Vacancy rates are particularly low for larger format retail. Neighborhood centers still demonstrate relatively high vacancy rates over 10%. Owing to persistently low vacancy rates coupled with minimal deliveries, rental rates have increased substantially over the past decade, increasing from an average of \$20.21 to \$26.87 per SF.

Based on this analysis, over the next decade, the entire submarket is forecast to support an additional 586,000 SF of new retail space over the next decade, and 1.3 million SF over the next 20 years. Broader macro trends in the retail sector (most notably the shift to online commerce) will slow overall demand growth for a number of “mall-type” retail categories and is instead expected to be skewed towards Food & Beverage, Entertainment, Services and Convenience.

Employing a capture rate for the study area, it is projected that there is market demand for 397,000 SF to 926,000 SF of retail space.

Retail Market Analysis

Table: Retail Submarket Performance Metrics

Retail Performance Metrics	Historic Performance (2011)						Current Performance						Avg. Annual Change in New Development Capital Value per SF
	Market Asking Rent	Vacancy Rate	Cap Rate	New Development Capital Value per SF	Existing Inventory Sale Price per SF	Market Asking Rent	Vacancy Rate	Cap Rate	New Development Capital Value per SF	Existing Inventory Sale Price per SF			
Sandy Spring/N Ctrl	\$20.21	12.3%	7.9%	\$224.18	\$152.58	\$26.87	6.3%	7.0%	\$357.51	\$221.00			
General Retail	\$20.20	10.5%	7.8%	\$231.41	\$185.99	\$26.95	3.7%	6.5%	\$400.98	\$318.42	5.7%		
Mall	\$22.54	7.3%	8.1%	\$257.93	\$137.35	\$30.58	4.4%	7.3%	\$402.40	\$193.51	4.5%		
Neighborhood Center	\$18.63	14.8%	7.9%	\$200.82	\$136.53	\$24.57	10.2%	7.2%	\$307.41	\$185.05	4.3%		
Power Center	\$22.92	21.5%	7.5%	\$240.93	\$188.98	\$29.65	1.4%	7.4%	\$392.60	\$202.49	5.0%		
Strip Center	\$17.24	7.7%	8.2%	\$193.03	\$147.58	\$22.46	3.0%	6.6%	\$328.72	\$252.97	5.5%		

Table: Retail Submarket Residual Demand Projection

Retail Residual Demand	Historic Supply (2011)						Current Supply (2021)						Residual Demand						
	Inventory (SF)	Vacancy Rate	Vacant SF	Occupied SF	Inventory (SF)	Vacancy Rate	Vacant SF	Occupied SF	Inventory (SF)	Vacancy Rate	Vacant SF	Occupied SF	Current Residual Demand SF	Under Construction SF	Absorption (SF/Yr)	10-Year Avg. Annual Net Residual Demand SF	2022 Residual Demand SF	2031 Residual Demand SF	2041 Residual Demand SF (Cumulative)
Sandy Spring/N Ctrl	10,515,124	12.3%	1,294,182	9,220,942	10,531,552	6.3%	665,957	9,865,595	6,520	64,465	586,708	1,322,443							
General Retail	2,487,321	10.5%	262,271	2,225,050	2,356,683	3.7%	86,086	2,270,597	2,520	4,555	73,846	43,512							
Mall	2,523,151	7.3%	183,505	2,339,646	2,523,151	4.4%	111,149	2,412,002	7,236	7,236	65,138	65,120							
Neighborhood Center	4,219,806	14.8%	626,550	3,593,256	4,329,762	10.2%	443,682	3,886,080	4,000	29,282	-128,306	267,542							
Other																			
Power Center	887,340	21.5%	191,218	696,122	887,340	1.4%	12,189	875,151		17,903	65,166	161,126							
Strip Center	397,506	7.7%	30,638	366,868	434,616	3.0%	12,851	421,765		5,490	21,758	49,407							



Retail Market Analysis

Population Growth Retail Demand

A second method of retail demand was undertaken for validity of the market opportunity. Future population scenarios used in the multifamily demand analysis were used to calculate new retail spending in the area. Average per capita retail spending in the immediate area is \$18,150 per census data. An industry average sale performance of \$350 per square foot was used to calculate total demand of new retail.

This method considers that not all new retail spending dollars from population growth will be spent in the study area, and that e-commerce is expected to continue to grow at a significant rate. These were both factored in when applying a capture rate.

A blended average with the Submarket Residual Demand model demonstrates market demand for 408,000 to 954,000 square feet of retail space over the next twenty years. It should be noted that High Street is planned to construct 400,000 square feet of retail over a phased timeline, thus this one project could absorb most future retail demand dependent on how the study area grows out over time.

Table: Retail Demand by Population Growth

Edge City 2.0 Retail Demand	Edge City 2.0 Capture Rate		
	Low (SF)	Moderate (SF)	High (SF)
	30%	50%	70%
	New Population		
Dunwoody Business as Usual	12,808	199,259	332,098
2-Mile Radius Growth Rate	25,115	390,721	651,202
City Springs 2-Mile Radius Growth Rate	41,662	648,146	1,080,243
Market Model Demand Forecast	396,733	661,221	925,710
Blended Average Total	408,715	681,191	953,667

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Hotel Market Analysis

Hotel Market Analysis

Metro Atlanta Hotel Overview

The Atlanta hospitality market maintains a strong position at the beginning of 2022 with indicators showing positive recovery since the downturn of the pandemic in 2020. There was significant momentum in 2019, with occupancy rates hovering near 70%. Occupancy rates rose to 60% at the end of 2021 compared to a low of 47.8% at the end of 2020 and nearing the 10-year average of 65%. Reduced international visitors and conferences have been supplemented by growing domestic tourism.

Average daily rates (ADR) are surprisingly strong across the market and are at near pre-pandemic levels for the Atlanta market, displaying hotels are not relying on discounts to attract visitors. Increasing occupancy rates and rising ADR create positive revenue per available room (RevPAR) with approximately 2% to 3% annual growth, continuing the trend of recovery. Although RevPAR has a 5-year year-over-year average of -5.1%, continued growth of occupancy and ADR across the market will provide momentum to the sector and hotel operators, rising back to near pre-pandemic levels and remain stable. RevPAR is expected to reach 2019 levels by 2024.

Construction across the market saw 3,500 rooms across 25 properties delivered in 2021 compared to 2,600 rooms in 2020. 4.6% of total inventory or approximately 5,100 rooms are under construction as of Q1 2022, higher than the national average of 2.8%. This glut of new supply will require increases in tourism and conferences to maintain occupancy rate growth.

New supply has focused on large, upscale and luxury properties with an average of 116 rooms per property compared to the national average of 91. All 761 rooms delivered in Q4 2021 were positioned as either upscale or luxury.

The current trend for hotel properties is to be built in-or-alongside mixed-use, commercial, or entertainment developments. Recent examples include the 249-room Hilton Alpharetta in Windward Park with office and residential, the 346-room Westin Gwinnett Hotel connected to Duluth's Infinite Energy Center's 72,000 SF convention space coming in 2023, and the 975-room Signia by Hilton next to the Georgia World Congress Center which will open with 75,000 SF of meeting space and broke ground in 2021 to open 2023.

Table: Hotel Market Statistics

Hotel Market Statistics	Metro Atlanta	Submarket	Study Area
Total Inventory (Rooms)	110,100	5,800	2,100
Inventory 2016 - 2021 (Rooms)	13,600	697	591
Net Deliveries 2021 (Rooms)	3,600	156	156
Occupancy Change (YOY) 2021	(-8.1%)	(-4.5%)	(-1.0%)
Average Daily Rate 2021	\$98.83	\$91.88	\$109
Average Occupancy 2016 - 2021	63.9%	61.7%	58.3%
2021 Occupancy	59%	57%	50.9%
Cap Rate	8.1%	7.4%	6.1%



Hotel Market Analysis

Submarket Hotel Overview

Center Perimeter/Roswell is a smaller submarket in the Atlanta region that contains just over 5% of the metro's total inventory. The submarket is characterized by higher-end larger properties. Luxury or Upscale rooms account for 25% of the submarket which proportionally exists in only 1 in 5 U.S. hotel submarkets. Hotel's average 152 rooms, higher than the Atlanta market average of 116 rooms and even further above 90 rooms per average nationally.

Like the Metro, the submarket is still enduring the effects of the pandemic but is quickly beginning to recover. Rising since a low point of 41% in February 2021, occupancy stands at 58% at the beginning of Q1 2022. Average daily asking rate (ADR) rose from \$75.39 to \$93.53 from February 2021 to December 2021. Revenue per available room (RevPAR) reflects occupancy and ADR growth with a low of \$31.34 in February 2021 rising to \$54.20 at the end of 2021. Year-over-year (YOY) RevPAR was positive with a change of 42.7% at the end of the year compared to -58.7% at the lowest in Feb 2021. RevPAR is expected to steadily rise back towards pre-pandemic levels over the next few years.

The submarket is viewed as slower growth compared to other submarkets closer to Downtown Atlanta. There have been four hotel deliveries in the past five years totaling over 550 rooms with all hotels being considered either upper midscale or upscale properties aside from the Motel 6 in Roswell. The most recent property to open was the AC Hotel in Dunwoody. The only building currently under construction (as of Q4 2021) is a 140-room aloft Hotel in Sandy Springs, representing a 2.4% addition to the existing inventory. There are several hotels in the planning pipeline that will add additional inventory in coming years.

Hyatt Regency Atlanta Perimeter at Villa Christina



Hotel Market Analysis

Hotel in Edge City 2.0

There are nine hotels in the study area as of January 2022. These nine properties have a total of 2,100 rooms, providing a significant inventory to the area. The Crowne Plaza Atlanta Perimeter is the largest property at 495 rooms, opening in 1986 when the area was going through a development boom of office space. After a lull in hotel expansion, four new hotels have opened in recent years:

1. Hampton Inn by Hilton – 132 rooms, opened 2016.
2. Residence Inn Atlanta Perimeter Center – 127 rooms, opened 2017.
3. Hyatt Place Atlanta Perimeter – 176 rooms, opened 2020.
4. AC Hotels by Marriott – 156 rooms, opened 2021.

Although these new hotels have added a significant amount of new supply to the local market, they also provide a new mix and positioning of hotel that was previously unavailable. The study area now has a more diverse mix of hotels at different price points and positioning. The Hampton Inn and Residence Inn target mid-market accommodation, the Marriott, Crowne Plaza, and Embassy Suites target business and conference, while the new AC Hotel and Hyatt Place target a more millennial, trendy, and upscale clientele.

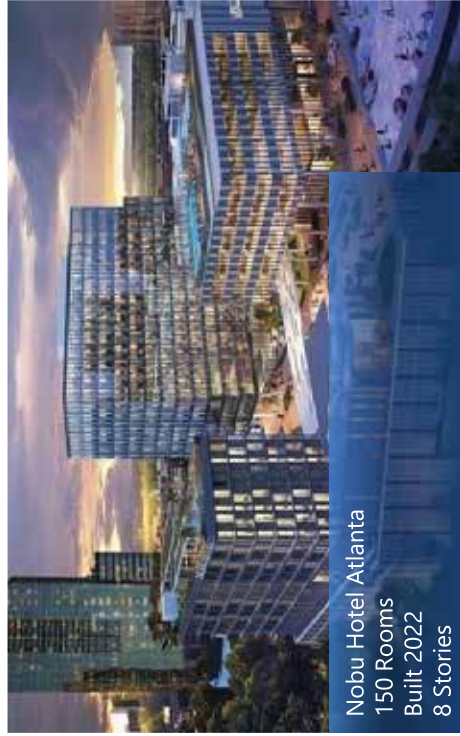
There are additional hotels planned in the pipeline that will further increase supply. Campus 244 at 244 Perimeter Center Parkway will have a 145 room Element Hotel, the brands third location in the Metro after Buckhead and Midtown. High Street by GID is permitted for two hotels totaling 400 rooms in its mixed-use development. Brands and timing have yet to be announced and are likely to be constructed in the second phase of development.

AC Hotels by Marriott Atlanta Perimeter



Hotel Market Analysis

Examples of Hotel Typologies



Hotel Market Analysis

Submarket Residual Demand

The Perimeter Center/Roswell hotel submarket was analyzed to estimate the demand for additional hotel rooms of various classes in the area over the next 20 years, based on supply and demand patterns, ADR, occupancy rates, new construction, cap rates and other key metrics. Due to the impact of Covid-19 from 2020 to 2022 on the hotel sector, the year 2019 is used as the measure of current demand so as not to negatively skew projections.

Overall demand remained flat throughout the previous decade, with moderate increases for mid-priced rooms and decreasing demand for both upper price (4.5 star) and economy (3 star) rooms. Additional mid-priced rooms introduced during the past several years have dampened occupancy rates and RevPAR in this segment.

Based on this analysis, over the next decade, the entire submarket is forecast to support an additional 300 rooms, growing to 1,024 rooms by 2041.

Expected capture rate of the submarket is strong as the study area is already a well-established hotel node with strong investment potential. **The Submarket**

Residual Demand model demonstrates market demand for 310 to 715 hotel rooms over the next twenty years. Hotel projects currently in the planning stages will largely meet this future demand, with little additional inventory likely supportable. Renovating/repositioning older hotel stock over time may be more beneficial than overdeveloping hotel product.

Figure: Hotel Room Night Demand in Perimeter Center/Roswell Submarket

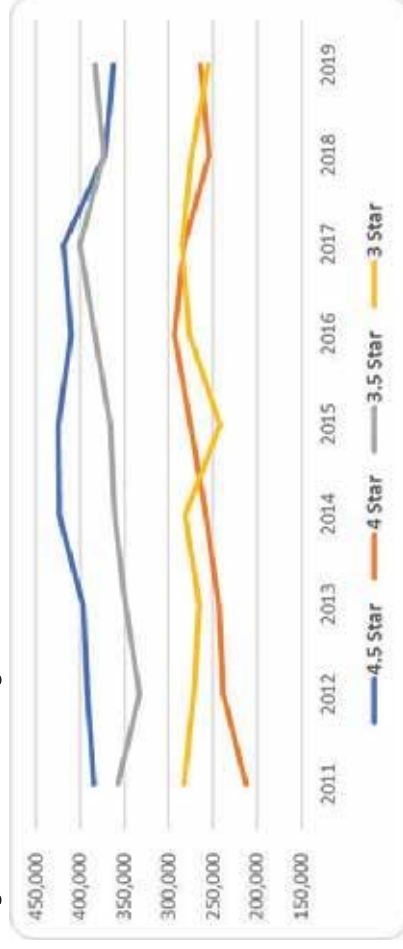
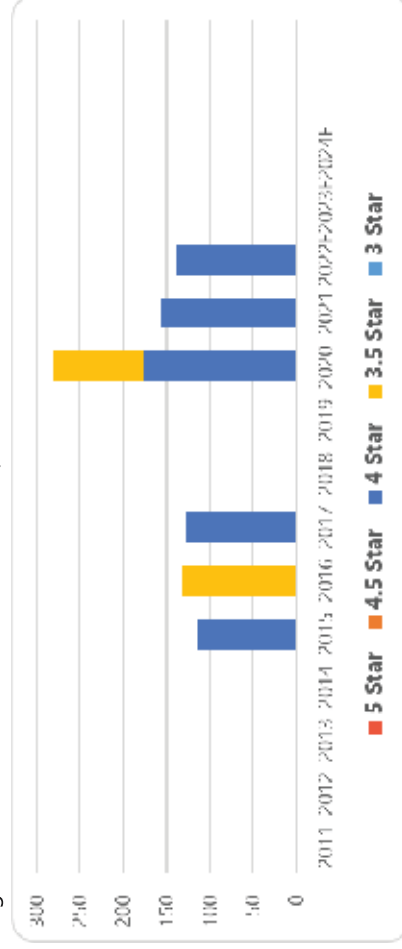


Figure: Hotel Deliveries in Perimeter Center/Roswell Submarket



Hotel Market Analysis

Table: Hotel Submarket Performance Indicators

Hotel Performance Metrics	Historic Performance (2011)					Current Performance (2019)					Avg. Annual Change in New Development Value per Room			
	Average Daily Rate	Occupancy Rate	RevPAR	Revenue	Cap Rate	New Development Value per Room	Existing Inventory Sale Price per Room	Average Daily Rate	Occupancy Rate	RevPAR		Revenue	Cap Rate	New Development Value per Room
Perimeter Center/Roswell	\$80.56	67.1%	\$54.05	\$99,662,877	8.66%	\$65,558		\$120.48	64.1%	\$77.21	\$152,468,452	7.19%	\$137,282	\$171,809
5-Star														
4.5-Star	\$106.58	63.7%	\$67.87	\$40,976,516	8.61%	\$100,767	\$162.43	\$100.72	\$100.72	\$100.72	\$58,931,936	5.57%	\$231,159	\$284,707
4-Star	\$98.58	60.5%	\$59.60	\$20,928,930	7.87%	\$96,819	\$139.02	\$83.45	\$83.45	\$83.45	\$36,704,547	7.21%	\$147,966	\$155,226
3.5-Star	\$72.68	65.7%	\$47.72	\$26,007,206	8.60%	\$70,942	\$109.84	\$72.37	\$72.37	\$72.37	\$42,080,161	7.73%	\$119,687	\$115,178
3-Star and Under	\$41.60	82.1%	\$34.17	\$11,750,225	10.29%	\$42,448	\$57.72	\$40.06	\$40.06	\$40.06	\$14,751,804	8.97%	\$57,086	\$109,773

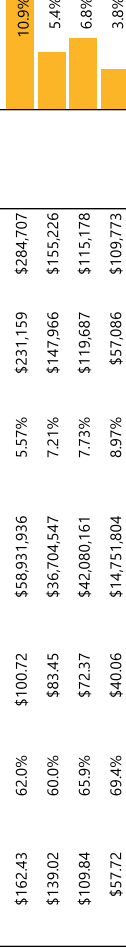


Table: Hotel Submarket Residual Demand Projection

Hotel Submarket Residual Demand	Historic Supply (2011)				Current Supply (2019)				Residual Demand						
	Inventory (Rooms)	Occupancy Rate	Supply Room Nights (Million)	Demand Room Nights (Million)	Inventory (Rooms)	Occupancy Rate	Supply Room Nights (Million)	Demand Room Nights (Million)	2019 Residual Demand Rooms	Supply Room Nights 2022 (Million)	Net New Rooms Delivered 2020-2022	10-Year Projected Annual Demand Change (Rooms/Yr)	2021 Residual Demand Rooms	2022 Residual Demand Rooms	2041 Residual Demand (Cumulative)
Perimeter Center/Roswell	5,174	70.6%	1,855,936	1,309,742	5,416	64.1%	1,974,672	1,265,535	-247	2,144,147	463	64	299	-23	1,024
5-Star															
4.5-Star	1,595	73.0%	582,175	425,235	1,609	62.0%	585,117	362,812	-155	587,819	7	2	42	30	237
4-Star	1,076	73.4%	375,526	275,721	1,205	60.0%	439,825	264,031	-120	596,241	428	51	153	-396	138
3.5-Star	1,495	67.1%	545,675	366,077	1,593	65.9%	581,445	383,103	-2	621,061	108	19	202	92	356
3-Star and Under	1,008	68.8%	352,560	242,709	1,009	69.4%	368,285	255,589	31	339,026	-80	-7	239	145	292

